



Good Faith Estimate (GFE)

TJ Num:2090000

| | |
|-------------------------|------------------------------------|
| Name of Originator | ABC BROKER COMPANY |
| Originator Address | 123 STREET NAME CITY, STATE ZIP |
| Originator Phone Number | (123) 456-7890 |
| Originator Email | BROKEREMAIL@GMAIL.COM |

| | |
|------------------|---|
| Borrower | SAMPLE BORROWER |
| Property Address | SAMPLE ADDRESS |
| Date of GFE | JANUARY 6, 2010 (Must be w/in 3 days of loan application date) |

Purpose

This GFE gives you an estimate of your settlement charges and loan terms if you are approved for this loan. For more information, see HUD's *Special Information Booklet* on settlement charges, your *Truth-in-Lending Disclosures*, and other consumer information at www.hud.gov/respa. If you decide you would like to proceed with this loan, contact us.

IMPORTANT DATES:

FLOAT:

#1: "N/A"

#2: **Must be at least 10 business days from GFE date**

#3: "N/A"

#4: **Must be completed (7 days recommended)**

LOCK:

#1: **Rate lock expiration date**

#2: **Must be at least 10 business days from GFE date**

#3: **Rate lock period**

#4: "N/A"

Only you can shop for the best loan for you. Compare this GFE with other loan offers, so you can find the best loan. Use the shopping chart on page 3 to compare all the offers you receive.

- The interest rate for this GFE is available through 01/18/2010. After this time, the interest rate, some of your loan Origination Charges, and the monthly payment shown below can change until you lock your interest rate.
- This estimate for all other settlement charges is available through 01/18/2010.
- After you lock your interest rate, you must go to settlement within 14 days (your rate lock period) to receive the locked interest rate.
- You must lock the interest rate at least 7 days before settlement.

Summary of your loan

| | |
|---|--|
| Your initial loan amount is | \$ 352,000.00 |
| Your loan term is | 30 years |
| Your initial interest rate is | 4.875 % |
| Your initial monthly amount owed for principal, interest, and any mortgage insurance is | \$ 1862.81 per month |
| Can your interest rate rise? | <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes, it can rise to a maximum of ____%. The first change will be in _____. |
| Even if you make payments on time, can your loan balance rise? | <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes, the first increase can be in and the monthly amount owed can rise to \$ _____. The maximum it can ever rise to is \$ _____. |
| Does your loan have a prepayment penalty? | <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes, your maximum prepayment penalty is \$ _____. |
| Does your loan have a balloon payment? | <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes, you have a balloon payment of \$ ____ due in ____ years. |

Escrow account Information

| |
|--|
| Some lenders require an escrow account to hold funds for paying property taxes or other property related charges in addition to your monthly amount owed of \$ 1,862.81 . Do we require you to have an escrow account for your loan? <input type="checkbox"/> No, you do not have an escrow account. You must pay these charges directly when due. <input checked="" type="checkbox"/> Yes, you have an escrow account. It may or may not cover all of these charges. Ask us. |
|--|

Summary of your settlement charges

| | | | | |
|----------|--|--------------------|---|--------------------|
| A | Your Adjusted Origination Charges (See page 2.) | \$ 3,000.00 | | |
| B | Your Charges for All Other Settlement Services (See page 2.) | \$ 6,277.20 | | |
| A | + | B | Total Estimated Settlement Charges | \$ 9,277.20 |

***GFE #1 INCLUDES:**
T.J. Fee \$920 + Broker
Origination + Processing +
Application. (CANNOT
INCREASE @ settlement)

***GFE #2: TJ Final Pricing**
in \$ amt (Only check 1 box)
1st Box: Par Pricing
2nd Box: Credit to borrower
3rd Box: Charge to
borrower

***Block A: Cannot exceed**
5% of loan amt (per FNMA
guidelines).

Blocks 1-7 cannot exceed
6% of amount financed
(Section 32: High Cost
Loans)

*****FEES IN THIS BOX SUBJ**
TO 10% AGGREGATE
INCREASE TOLERANCE IF
ON SSPL OR NO SSPL
WAS PROVIDED***

GFE #3: Includes Credit
report fee (CANNOT BE
REFLECTED AS "POC"),
appraisal fee, AVM fee, 1st
month's MI premium (if
applicable)

GFE #4: Includes all Title
fees, Escrow fees, notary
fee, endorsement, sub-
escrow, courier, doc prep,
email fee, etc.

GFE #5: For Purchase Only
- need to disclose even if
paid by seller

GFE #6: Pest inspection,
Home Inspection, etc.

GFE #7: Must be completed
(Check figures w/ escrow)

***GFE #8: For Purchases.**
Includes city taxes. Check
figures w/ escrow.
CANNOT INCREASE @
settlement.

GFE #9: Impounds info.
Refer to Impound Table on
TJ website. MI must be
impounded for 2 mos, if
applicable. (Can change @
settlement)

GFE #10: Must be
completed
(Can change @ Settlement)

GFE #11: Includes Hazard
Ins, Flood Ins, Condo HO-6.
(Can change @ settlement)

| Your Adjusted Origination Charges | | | | | | | | | | | | |
|--|--|--------------------|--------|---------------------------------|-----------|-------------------|-------|--|--------|---------------------|-------|-----------|
| 1. Our origination charge This charge is for getting this loan for you. | | \$ 2,500.00 | | | | | | | | | | |
| 2. Your credit or charge (points) for the specific interest rate chosen <input type="checkbox"/> The credit or charge for the interest rate of ____% is included in "Our origination charge." (See item 1 above.) <input type="checkbox"/> You receive a credit of \$ __ for this interest rate of __%. This credit reduces your settlement charges. <input checked="" type="checkbox"/> You pay a charge of \$ <u>500.00</u> for this interest rate of <u>4.875</u> %. This charge (points) increases your total settlement charges. The tradeoff table on page 3 shows that you can change your total settlement charges by choosing a different interest rate for this loan. | \$ 500.00 | | | | | | | | | | | |
| A | Your Adjusted Origination Charges | \$ 3,000.00 | | | | | | | | | | |
| Your Charges for All Other Settlement Services | | | | | | | | | | | | |
| 3. Required services that we select These charges are for services we require to complete your settlement. We will choose the providers of these services. | <table border="1"> <thead> <tr> <th>Service</th> <th>Charge</th> </tr> </thead> <tbody> <tr> <td>Appraisal Fee</td> <td>\$ 350.00</td> </tr> <tr> <td>Credit Report Fee</td> <td>25.00</td> </tr> <tr> <td>1st month MI Premium (if applicable)</td> <td>200.00</td> </tr> <tr> <td>AVM (if applicable)</td> <td>50.00</td> </tr> </tbody> </table> | Service | Charge | Appraisal Fee | \$ 350.00 | Credit Report Fee | 25.00 | 1 st month MI Premium (if applicable) | 200.00 | AVM (if applicable) | 50.00 | \$ 625.00 |
| Service | Charge | | | | | | | | | | | |
| Appraisal Fee | \$ 350.00 | | | | | | | | | | | |
| Credit Report Fee | 25.00 | | | | | | | | | | | |
| 1 st month MI Premium (if applicable) | 200.00 | | | | | | | | | | | |
| AVM (if applicable) | 50.00 | | | | | | | | | | | |
| 4. Title services and lender's title insurance This charge includes the services of a title or settlement agent, for example, and title insurance to protect the lender, if required. | | \$ 2,500.00 | | | | | | | | | | |
| 5. Owner's title insurance You may purchase an owner's title insurance policy to protect your interest in the property. | | \$ 1,000.00 | | | | | | | | | | |
| 6. Required services that you can shop for These charges are for other services that are required to complete your settlement. We can identify providers of these services or you can shop for them yourself. Our estimates for providing these services are below. | <table border="1"> <thead> <tr> <th>Service</th> <th>Charge</th> </tr> </thead> <tbody> <tr> <td>Pest Inspection (if applicable)</td> <td>\$150.00</td> </tr> </tbody> </table> | Service | Charge | Pest Inspection (if applicable) | \$150.00 | \$ 150.00 | | | | | | |
| Service | Charge | | | | | | | | | | | |
| Pest Inspection (if applicable) | \$150.00 | | | | | | | | | | | |
| 7. Government recording charges These charges are for state and local fees to record your loan and title documents. | | \$ 70.00 | | | | | | | | | | |
| 8. Transfer taxes These charges are for state and local fees on mortgages and home sales. | | \$ 100.00 | | | | | | | | | | |
| 9. Initial deposit for your escrow account This charge is held in an escrow account to pay future recurring charges on your property and includes <input checked="" type="checkbox"/> all property taxes, <input checked="" type="checkbox"/> all insurance, and <input checked="" type="checkbox"/> other: <u>Mortgage Insurance Premium</u> . | | \$ 1,030.60 | | | | | | | | | | |
| 10. Daily interest charges This charge is for the daily interest on your loan from the day of your settlement until the first day of the next month or the first day of your normal mortgage payment cycle. This amount is \$ <u>16.67</u> per <u>30</u> day for days (if your settlement is <u>02/05/2010</u>). | | \$ 500.10 | | | | | | | | | | |
| 11. Homeowner's insurance This charge is for the insurance you must buy for the property to protect from a loss, such as fire. | <table border="1"> <thead> <tr> <th>Policy</th> <th>Charge</th> </tr> </thead> <tbody> <tr> <td>HO-6 Insurance (if applicable)</td> <td>\$301.50</td> </tr> </tbody> </table> | Policy | Charge | HO-6 Insurance (if applicable) | \$301.50 | \$ 301.50 | | | | | | |
| Policy | Charge | | | | | | | | | | | |
| HO-6 Insurance (if applicable) | \$301.50 | | | | | | | | | | | |
| B | Your Charges for All Other Settlement Services | \$ 6,277.20 | | | | | | | | | | |
| A | + | B | | | | | | | | | | |
| Total Estimated Settlement Charges | | \$ 9,277.20 | | | | | | | | | | |

*****NOTE: ALL SETTLEMENT FEES MUST BE DISCLOSED REGARDLESS OF WHO PAYS FOR IT. ALL SELLER PAID ITEMS AND BROKER PAID ITEMS MUST BE DISCLOSED ON GFE. (ie: Home Warranty, termite Inspection, Owner's Title Insurance, etc.)*****



Instructions

Understanding which charges can change at settlement

This GFE estimates your settlement charges. At your settlement, you will receive a HUD-1, a form that lists your actual costs. Compare the charges on the HUD-1 with the charges on this GFE. Charges can change if you select your own provider and do not use the companies we identify. (See below for details.)

| These charges cannot increase at settlement: (BOX 1,2,8) | The total of these charges can increase up to 10% at settlement: (BOX 3 – 7) | These charges can change at settlement: (BOX 9 – 11) |
|---|---|---|
| <ul style="list-style-type: none"> • Our origination charge • Your credit or charge (points) for the specific interest rate chosen (after you lock in your interest rate) • Your adjusted origination charges (after you lock in your interest rate) • Transfer taxes | <ul style="list-style-type: none"> • Required services that we select • Title services and lender's title insurance (if we select them or you use companies we identify) • Owner's title insurance (if you use companies we identify) • Required services that you can shop for (if you use companies we identify) • Government recording charge | <ul style="list-style-type: none"> • Required services that you can shop for (if you do not use companies we identify) • Title services and lender's title insurance (if you do not use companies we identify) • Owner's title insurance (if you do not use companies we identify) • Initial deposit for your escrow account • Daily interest charges • Homeowner's insurance |

Using the tradeoff table

In this GFE, we offered you this loan with a particular interest rate and estimated settlement charges. However:

- If you want to choose this same loan with **lower settlement charges**, then you will have a **higher interest rate**.
- If you want to choose this same loan with a **lower interest rate**, then you will have **higher settlement charges**.

If you would like to choose an available option, you must ask us for a new GFE.

Loan originators have the option to complete this table. Please ask for additional information if the table is not completed.

Complete 1st column only.

The 2nd and 3rd columns are optional.

| | The loan in this GFE | The same loan with lower settlement charges | The same loan with a lower interest rate |
|---|----------------------|--|--|
| Your initial loan amount | \$ 352,000.00 | \$ | \$ |
| Your initial interest rate, | 4.875 % | % | % |
| Your initial monthly amount owed | \$ 1,862.81 | \$ | \$ |
| Change in the monthly amount owed from this GFE | No change | You will pay \$ more every month | You will pay \$ less every month |
| Change in the amount you will pay at settlement with this interest rate | No change | Your settlement charges will be reduced by \$ | Your settlement charges will increase by \$ |
| How much your total estimated settlement charges will be | \$ 9,277.20 | \$ | \$ |

For an adjustable rate loan, the comparisons above are for the initial interest rate before adjustments are made.

Use this chart to compare GFEs from different loan originators. Fill in the information by using a different column for each GFE you receive. By comparing loan offers, you can shop for the best loan.

Using the shopping chart

Complete 1st column only.

Column 2, 3 & 4 is for borrower use only. DO NOT FILL OUT.

| | This loan | Loan 2 | Loan 3 | Loan 4 |
|------------------------------------|---------------------------|--------|--------|--------|
| Loan originator name | ABC BROKER COMPANY | | | |
| Initial loan amount | \$ 352,000.00 | | | |
| Loan term | 30 years | | | |
| Initial interest rate | 4.875 % | | | |
| Initial monthly amount owed | \$ 1,862.81 | | | |
| Rate lock period | 14 days | | | |
| Can interest rate rise? | NO | | | |
| Can loan balance rise? | NO | | | |
| Can monthly amount owed rise? | NO | | | |
| Prepayment penalty? | NO | | | |
| Balloon payment? | NO | | | |
| Total Estimated Settlement Charges | \$ 9,277.20 | | | |

If your loan is sold in the future

Some lenders may sell your loan after settlement. Any fees lenders receive in the future cannot change the loan you receive or the charges you paid at settlement.

