

Outlook Live Webinar- November 18, 2014

TILA-RESPA Integrated Disclosures, Part 4 - Completing the Closing Disclosure

Presented by the Consumer Financial Protection Bureau

The content of this webinar is current as of the date the webinar was originally presented. This webinar has not been updated since its original presentation date and does not reflect the changes and clarifications set forth in the final rule issued on July 7, 2017.

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Disclaimer

- The Bureau issued the TILA-RESPA Integrated Disclosure final rule in November of 2013 to implement provisions under the Dodd-Frank Wall Street Reform and Consumer Protection Act.
- The Final Rule will take effect in August 2015.
- Examples of the forms shown are not consistent with a single transaction.
- This presentation is current as of November 18, 2014. This presentation does not represent legal interpretation, guidance or advice of the Bureau. While efforts have been made to ensure accuracy, this presentation is not a substitute for the rule. Only the rule and its Official Interpretations can provide complete and definitive information regarding requirements. This document does not bind the Bureau and does not create any rights, benefits, or defenses, substantive or procedural, that are enforceable by any party in any manner.

CFPB Resources

- **Dedicated Regulatory Implementation Website:**
<http://www.consumerfinance.gov/regulatory-implementation/tila-respa/>
 - [Small Entity Compliance Guide](#)
 - [Guide to Forms](#)
 - [Disclosure Timeline Illustration](#)
 - [Sample and Annotated Forms](#)
 - Links to Webinars
 - Additional Guidance Materials
- **eRegulations Tool:**
<http://www.consumerfinance.gov/eregulations>

Recent Events and Publications

■ Webinars

- [Rule overview](#): 6/17/2014
- [Frequently asked questions](#): 8/26/2014
- [Loan Estimate contents](#): 10/1/2014

■ Publications

- [Disclosure Timeline Illustration](#)
- [Readiness Guide](#)

■ Proposed Rule

- [Amendments to the 2013 Integrated Mortgage Disclosures Rule Under the Real Estate Settlement Procedures Act \(Regulation X\) and Truth In Lending Act \(Regulation Z\) and the 2013 Loan Originator Rule Under the Truth in Lending Act \(Regulation Z\)](#)
- Redisclosure for rate locks and new construction loans
- Technical changes
- Comment period closed 11/10/14

Closing Disclosure Form, Page 1 1026.38(a)-(d)

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 | Lender | Anytown, ST 12345 | Loan ID # | 123456789 |
| | Anytown, ST 12345 | | Ficus Bank | MIC # | 000654321 |
| Sale Price | \$180,000 | | | | |

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

| 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 |
|---|------------------|--|--------------------------------|

| 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. |

CLOSING DISCLOSURE PAGE 1 OF 5 - LOAN ID # 123456789

- Closely mirrors Page 1 of the Loan Estimate
- [Guide to Forms](#) Section 3.2
- [Sample forms](#) available on regulatory implementation web site
- Regulatory provisions: 1026.38(a)-(d)

Page 1: General Information

1026.38(a); Guide to Forms Section 3.2.1

Closing Disclosure

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

Closing Information

Date Issued 4/15/2013
Closing Date 4/15/2013
Disbursement Date 4/15/2013
Settlement Agent Epsilon Title Co.
File # 12-3456
Property 456 Somewhere Ave
Anytown, ST 12345
Sale Price \$180,000

Transaction Information

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 Information

Loan Term 30 years
Purpose Purchase
Product Fixed Rate
Loan Type Conventional FHA
 VA _____
Loan ID # 123456789
MIC # 000654321

Title: 1026.38(a)(1)
Purpose: 1026.38(a)(2)

Page 1: General Information

1026.38(a); Guide to Forms Section 3.2.1

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 |
| Sale Price \$180,000 | Lender Ficus Bank | MIC # 000654321 |

Closing Information: 1026.38(a)(3)

- Date Issued: 1026.38(a)(3)(i)
- Closing Date: 1026.38(a)(3)(ii)
- Disbursement Date: 1026.38(a)(3)(iii)
- Settlement Agent: 1026.38(a)(3)(iv)
- File #: 1026.38(a)(3)(v)
- Property: 1026.38(a)(3)(vi) (cross-ref. to 1026.37(a)(6))
- Sale Price: 1026.38(a)(3)(vii)

Page 1: General Information

1026.38(a); Guide to Forms Section 3.2.1

Closing Disclosure

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

Closing Information

Date Issued 4/15/2013
Closing Date 4/15/2013
Disbursement Date 4/15/2013
Settlement Agent Epsilon Title Co.
File # 12-3456
Property 456 Somewhere Ave
Anytown, ST 12345
Sale Price \$180,000

Transaction Information

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 Information

Loan Term 30 years
Purpose Purchase
Product Fixed Rate
Loan Type Conventional FHA
 VA _____
Loan ID # 123456789
MIC # 000654321

Transaction Information: 1026.38(a)(4)

- Borrower: 1026.38(a)(4)(i)
- Seller: 1026.38(a)(4)(ii)
- Lender: 1026.38(a)(4)(iii)

Page 1: General Information

1026.38(a); Guide to Forms Section 3.2.1

Closing Disclosure

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

Closing Information

Date Issued 4/15/2013
Closing Date 4/15/2013
Disbursement Date 4/15/2013
Settlement Agent Epsilon Title Co.
File # 12-3456
Property 456 Somewhere Ave
Anytown, ST 12345
Sale Price \$180,000

Transaction Information

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 Information

Loan Term 30 years
Purpose Purchase
Product Fixed Rate
Loan Type Conventional FHA
 VA _____
Loan ID # 123456789
MIC # 000654321

Loan Information: 1026.38(a)(5)

- Loan Term: 1026.38(a)(5)(i) (cross-ref. to 1026.37(a)(8))
- Purpose: 1026.38(a)(5)(ii) (cross-ref. to 1026.37(a)(9))
- Product: 1026.38(a)(5)(iii) (cross-ref. to 1026.37(a)(10))
- Loan Type: 1026.38(a)(5)(iv) (cross-ref. to 1026.37(a)(11))
- Loan ID #: 1026.38(a)(5)(v) (cross-ref. to 1026.37(a)(12))
- Mortgage Insurance Case Number (MIC #): 1026.38(a)(5)(vi)

Page 1: Loan Terms

1026.38(b); Guide to Forms Section 3.2.2

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

Each element of the Loan Terms table on the Closing Disclosure under 1026.38(b) is the same as on the Loan Estimate under 1026.37(b), updated to reflect the final terms of the legal obligation

Page 1: Projected Payments

1026.38(c); Guide to Forms Section 3.2.3

| 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</i> <i>See page 4 for details</i> | | \$356.13 a month | <table border="0"> <tr> <td>This estimate includes</td> <td>In escrow?</td> </tr> <tr> <td><input checked="" type="checkbox"/> Property Taxes</td> <td>YES</td> </tr> <tr> <td><input checked="" type="checkbox"/> Homeowner's Insurance</td> <td>YES</td> </tr> <tr> <td><input checked="" type="checkbox"/> Other: Homeowner's Association Dues</td> <td>NO</td> </tr> </table> <p><i>See Escrow Account on page 4 for details. You must pay for other property costs separately.</i></p> | This estimate includes | In escrow? | <input checked="" type="checkbox"/> Property Taxes | YES | <input checked="" type="checkbox"/> Homeowner's Insurance | YES | <input checked="" type="checkbox"/> Other: Homeowner's Association Dues | NO |
| This estimate includes | In escrow? | | | | | | | | | | |
| <input checked="" type="checkbox"/> Property Taxes | YES | | | | | | | | | | |
| <input checked="" type="checkbox"/> Homeowner's Insurance | YES | | | | | | | | | | |
| <input checked="" type="checkbox"/> Other: Homeowner's Association Dues | NO | | | | | | | | | | |

The elements of the Projected Payments table on the Closing Disclosure under 1026.38(c) are the same as on the Loan Estimate under 1026.37(c), updated to reflect the final terms of the legal obligation, except:

- Different rules for Estimated Escrow and Estimated Taxes, Insurance & Assessments
- Different references to Escrow Account information

Page 1: Costs at Closing

1026.38(d); Guide to Forms Section 3.2.4

Standard Table: 1026.38(d)(1)

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 Table (transactions with no seller): 1026.38(d)(2)

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.*
 From To Borrower

Closing Disclosure Form, Page 2

1026.38(f)-(h); Guide to Forms Section 3.3

| Closing Cost Details | | | | | |
|---|---|----------------|-------------|----------------|----------------|
| Loan Costs | Borrower-Paid | | Seller-Paid | | Paid by Others |
| | At Closing | Before Closing | At Closing | Before Closing | |
| A. Origination Charges | | | | | |
| 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 | | | | | |
| 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 | | | | | |
| 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 | | |
| 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. Prepays | | | | | |
| | | \$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 Ace Inc. | \$500.00 | | | |
| 02 | HOA Processing Fee to HOA Ace 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 |
| Lender Credits | | | | | \$405.00 |

CLOSING DISCLOSURE

PAGE 2 OF 5 - LOAN ID # 123456789

- Similar information found on Page 2 of the Loan Estimate
- [Sample forms](#) available on regulatory implementation website
- Regulatory provisions: 1026.38(f)-(h)

Page 2: Origination Charges

1026.38(f)(1); Guide to Forms Section 3.3.1

Closing Cost Details

| Loan Costs | Borrower-Paid | | Seller-Paid | | Paid by Others |
|-----------------------------------|-------------------|----------------|-------------|----------------|----------------|
| | At Closing | Before Closing | At Closing | Before Closing | |
| A. Origination Charges | \$1,807.00 | | | | |
| 01 0.25 % of Loan Amount (Points) | \$405.00 | | | | |
| 02 Application Fee | \$300.00 | | | | |
| 03 Underwriting Fee | \$1,097.00 | | | | |
| 04 | | | | | |
| 05 | | | | | |
| 06 | | | | | |
| 07 | | | | | |

First item disclosed is for points paid to the creditor to reduce the interest rate. (1026.38(f), cross-ref. to 1026.37(f)(1)(i))

Each column and sub-column is required by 1026.38(f) (for Loan Costs table) and (g) (for Other Costs table)

Page 2: Origination Charges

1026.38(f)(1); Guide to Forms Section 3.3.1

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 | | | | | |

Loan originator compensation paid by the creditor to a third-party loan originator is also disclosed under Origination Charges but is shown in the Paid by Others column. (Comment 38(f)(1)-2)) A designation of “(L)” may be used to denote that the creditor (lender) paid that amount to the third-party loan originator. (Comment 38(f)-1))

Page 2: Services Borrower Did Not Shop For 1026.38(f)(2); Guide to Forms 3.3.1

| 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 | | | | | |
| -- | | | | | |

Items disclosed as Services You Can Shop For on the Loan Estimate (1026.37(f)(3)) will move into this category when the consumer chooses a provider on the written list provided by the creditor with the Loan Estimate for that item. (1026.38(f)(2))

Page 2: Services Borrower Did Shop For

1026.38(f)(3); Guide to Forms Section 3.3.1

| 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 | | | | | |

Items disclosed as Services You Can Shop For on the Loan Estimate (1026.37(f)(3)) are shown here when the consumer chooses a provider that was not on the written list provided by the creditor with the Loan Estimate for that item. (1026.37(f)(3))

Page 2: Other Costs

1026.38(g); Guide to Forms Section 3.3.2

| 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. Prepays | | | \$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 | | | | | |

Page 2: Taxes and Other Government Fees

1026.38(g)(1); Guide to Forms Section 3.3.2

| 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 | |

Recording fees: 1026.38(g)(1)(i)
Transfer taxes: 1026.38(g)(1)(ii)

Page 2: Taxes and Other Government Fees

1026.38(g)(1); Guide to Forms Section 3.3.2

| 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 | |

Q: How does the disclosure of recording fees differ between the Loan Estimate and Closing Disclosure? (*compare 1026.37(g)(1)(i) with 1026.38(g)(1)(i)*)

Q: How should creditors disclose the name of the government entity to whom a transfer tax fund is distributed? (1026.38(g)(1)(ii))

Page 2: Prepays; Initial Escrow Payment at Closing

1026.38(g)(2) & 1026.38(g)(3); Guide to Forms Section 3.3.2

| F. Prepays | | \$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 \$160.83 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 | | |

Prepays: 1026.38(g)(2) (cross-reference to 1026.37(g)(2))

Initial Escrow Payment at Closing: 1026.38(g)(3) (cross-reference to 1026.37(g)(3))

Closing Disclosure Form, Page 3

1026.38(e), (i)-(k); Guide to Forms Section 3.4

| 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 | \$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 | |

| 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 Closing Costs Paid at Closing (I) | |
| 04 | | 04 | |
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Page 3: Calculating Cash to Close

1026.38(i); Guide to Forms Section 3.4.1

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 | |

The amounts that were disclosed on the Loan Estimate are disclosed in the first column. (1026.38(i))

Page 3: Summaries of Transactions

1026.38(j)-(k); Guide to Forms Section 3.4.3

| 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 (J) | \$9,682.30 | 03 | |
| 04 | | 04 | |
| Adjustments | | 05 | |
| 05 | | 06 | |
| 06 | | 07 | |
| 07 | | 08 | |
| Adjustments for Items Paid by Seller in Advance | | Adjustments for Items Paid by Seller in Advance | |
| 08 City/Town Taxes to | | 09 City/Town Taxes to | |
| 09 County Taxes to | | 10 County Taxes to | |
| 10 Assessments to | | 11 Assessments to | |
| 11 HOA Dues 4/15/13 to 4/30/13 | \$80.00 | 12 HOA Dues 4/15/13 to 4/30/13 | \$80.00 |
| 12 | | 13 | |
| 13 | | 14 | |
| 14 | | 15 | |
| 15 | | 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 Excess Deposit | |
| 02 Loan Amount | \$162,000.00 | 02 Closing Costs Paid at Closing (J) | \$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 Epsilon 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 |

• Similar to HUD-1 page 1

Closing Disclosure Form, Page 4 1026.38(l)-(n); Guide to Forms Section 3.5

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.

CLOSING DISCLOSURE PAGE 4 OF 5 - LOAN ID # 123456789

- [Sample forms](#) available on regulatory implementation web site
- Includes the Adjustable Payment (AP) and Adjustable Interest Rate (AIR) tables at bottom of page 4, when applicable (1026.38(m) & (n))
- Regulatory provisions: 1026.38(l)-(n)

Page 4: Loan Disclosures – Partial Payments

1026.38(1)(1)-(6); Guide to Forms Section 3.5.1

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.

Q: How a lender applies a partial payment may vary depending on the circumstances. Is a lender required to choose only one option for the Partial Payments disclosure required by § 1026.38(1)(5), or is it possible to check multiple boxes?

Closing Disclosure Form, Page 5

1026.38(o)-(s); Guide to Forms Section 3.6

| 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 <ul style="list-style-type: none"> • 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, <ul style="list-style-type: none"> <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% | 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. | | | |
| 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% | 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 | | | | | |
|------------------------------|--------------------------------------|-----------------|-----------------------------------|------------------------------------|-------------------------------------|
| | 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 |
|---------------------|------|------------------------|------|

CLOSING DISCLOSURE PAGE 5 OF 5 - LOAN ID # 123456789

- [Sample forms](#) available on regulatory implementation web site
- Regulatory provisions: 1026.38(o)-(s)

Page 5: Other Disclosures – Liability After Foreclosure

1026.38(p); Guide to Forms Section 3.6.2

The creditor must disclose a statement of whether the consumer may remain responsible for any deficiency after foreclosure under applicable state law. (1026.38(p)(3)). *See also* comment 38(p)(3)-1

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.

Page 5: Liability After Foreclosure (Anti-Deficiency Notice)

1026.38(p)(3); Guide to Forms Section 3.6.2

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.

- **Q:** What constitutes an anti-deficiency law for purposes of this disclosure?
- **Q:** Do statutes of limitations on obtaining or collecting a deficiency judgment count as anti-deficiency protections for purposes of this disclosure?
- **Q:** Are state laws that limit how much a creditor may collect in an anti-deficiency judgment considered anti-deficiency protections for purposes of this disclosure?
- **Q:** How should a creditor make this disclosure if a state anti-deficiency law could apply to the loan, but whether it ultimately would apply depends on facts and circumstances at the time of foreclosure?

Closing Disclosure Form: General Questions

- **Q:** What should creditors do if the information required to be disclosed doesn't fit in the space allotted on the form?
- **Q:** Is there a model or sample of an addendum?
- **Q:** Is there anything creditors are required to include on the addendum? (1026.17(a)(1))
- **Q:** What are the formatting requirements for the addendum? (Comment 38(t)(5)-5)