OMB Approval No. 2502-0265

Good Faith Estimate (GFE)

Print Form

Name of Originator	ABC Broker	Borrower	Bob Borrower
Originator Address	2468 Main Street Anywhere, USA 00000	Property Address	123 Main Street Anywhere, USA 00000
Originator Phone Number	111-222-3333		
Originator Email	originator@ABCBroker.com	Date of GFE	October 1, 2009

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.

Shopping for your loan

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.

Important dates

1. The interest rate for this GFE is available through 10/1/09 @ 4:00 pm. 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.
2. This estimate for all other settlement charges is available through 11/10/09.
3. After you lock your interest rate, you must go to settlement within 30 days (your rate lock period) to receive the locked interest rate.
4. You must lock the interest rate at least 15 days before settlement.

Summary of your loan

Your initial loan amount is	$ 294,566.00
Your loan term is	30 years
Your initial interest rate is	5.0 %
Your initial monthly amount owed for principal, interest, and any mortgage insurance is	$ 1,713.98 per month
Can your interest rate rise?	☒ No ☐ 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?	☒ No ☐ Yes, it can rise to a maximum of $
Even if you make payments on time, can your monthly amount owed for principal, interest, and any mortgage insurance rise?	☒ No ☐ 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?	☒ No ☐ Yes, your maximum prepayment penalty is $.
Does your loan have a balloon payment?	☒ No ☐ 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 $ 1,713.98.

Do we require you to have an escrow account for your loan?

☐ No, you do not have an escrow account. You must pay these charges directly when due.

☒ 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.)*	$ 3,750.00
B	Your Charges for All Other Settlement Services *(See page 2.)*	$ 8,483.44
A + B	Total Estimated Settlement Charges	$ 12,233.44

Understanding your estimated settlement charges

Some of these charges can change at settlement. See the top of page 3 for more information.

Your Adjusted Origination Charges

1. Our origination charge This charge is for getting this loan for you.	$6,750.00
2. Your credit or charge (points) for the specific interest rate chosen ☐ The credit or charge for the interest rate of [ ] % is included in "Our origination charge." (See item 1 above.) ☒ You receive a credit of $ [3,000.00] for this interest rate of [5.0] %. This credit **reduces** your settlement charges. ☐ You pay a charge of $ [ ] for this interest rate of [ ] %. 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.	-$3,000.00
A Your Adjusted Origination Charges	$ $3,750.00

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. *Service* — *Charge* Appraisal/Credit Report — $220/$40 Tax Service/Flood Certification — $54/$12 Upfront Mortgage Insurance Premium — $5,066.25	$5,392.25
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.	$925.00
5. Owner's title insurance You may purchase an owner's title insurance policy to protect your interest in the property.	$725.00
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. *Service* — *Charge* Survey — $250.00 Pest Inspection — $45.00	$295.00
7. Government recording charges These charges are for state and local fees to record your loan and title documents.	$150.00
8. Transfer taxes These charges are for state and local fees on mortgages and home sales.	$0
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 ☒ all property taxes, ☒ all insurance, and ☐ other [ ].	$306.60
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 $ [39.59] per day for [1] days (if your settlement is [10/31/09]).	$39.59
11. Homeowner's insurance This charge is for the insurance you must buy for the property to protect from a loss, such as fire. *Policy* — *Charge* Insurance Company — $650.00	$650.00
B Your Charges for All Other Settlement Services	$ 8,483.44
A + B Total Estimated Settlement Charges	$ 12,233.44

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:	The total of these charges **can increase up to 10%** at settlement:	These charges **can change** at settlement:
▪ 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	▪ 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 charges	▪ 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.

	The loan in this GFE	The same loan with lower settlement charges	The same loan with a lower interest rate
Your initial loan amount	$ 294,566.00	$ 294,566.00	$ 294,566.00
Your initial interest rate[1]	5.0 %	6.0 %	4.5 %
Your initial monthly amount owed	$ 1,713.98	$ 1,898.66	$ 1,652.11
Change in the monthly amount owed from this GFE	No change	You will pay $ 184.78 **more** every month	You will pay $ 88.77 **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 $ 1,500.00	Your settlement charges will **increase** by $ 1,500.00
How much your total estimated settlement charges will be	$ 12,233.44	$ 10,733.44	$ 13,733.44

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

Using the shopping chart

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.

	This loan	Loan 2	Loan 3	Loan 4
Loan originator name	ABCBroker			
Initial loan amount	294,566.00			
Loan term	30 years			
Initial interest rate	5.0			
Initial monthly amount owed	$1,713.98			
Rate lock period	30 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	$12,233.44			

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.