

# Know Before You Owe: Post-Proposal Consumer Testing of the Spanish and Refinance Integrated TILA-RESPA Disclosures

## Closing Disclosure

*This form is a statement of disclosure document with your lender.*

**Closing Information**  
 Date Based: 5/10/2013  
 Closing Date: 5/14/2013  
 Disclosure Date: 5/14/2013  
 Agent: JDC Settlement  
 File #: 01234  
 Property: 450 Avenue A  
 Anytown, MD 12345  
 Sale Price: \$240,000

**Transaction Information**  
 Borrower: James White and Jane  
 123 Anywhere Street  
 Anytown, MD  
 Seller: John Smith  
 123 Anywhere  
 Anytown, MD  
 Lender: Pictis Bank

Loan Terms	
Loan Amount	\$216,500
Interest Rate	4.375%
Monthly Principal & Interest	\$789.32

### Projected Payments

Payment Calculation	Years 1-5	Years 6-8	Years 9-11	Year 12
Can I: Principal & Interest	\$789.32	\$1,266 min \$1,582 max	\$1,266 min \$1,664 max	\$1,266 min \$1,664 max
Mortgage Insurance	+ 164.18	+ 164.18	+ 164.18	+ 164.18
Estimated Escrow <i>Amount can increase over time</i>	+ 699.50	+ 699.50	+ 699.50	+ 699.50
<b>Estimated Total Monthly Payment</b>	<b>\$1,653.00</b>	<b>\$2,130 - \$2,446</b>	<b>\$2,130 - \$2,528</b>	<b>\$1,966 - \$2,446</b>
<b>Estimated Taxes, Insurance &amp; Assessments</b> <i>Amount can increase over time</i> <i>See Details on Page 4</i>	<b>\$842.09</b> a month	<b>This estimate includes</b> <input checked="" type="checkbox"/> Property Taxes <input checked="" type="checkbox"/> Homeowner's Insurance <input checked="" type="checkbox"/> Other: Windstorm Insurance, HOA <i>See page 4 for estimated property costs. You must pay for other costs separately.</i>		

Payment Calculation	Years 1-5	Years 6-8	Years 9-11	Year 12
Can I: Principal & Interest	\$789.32	\$1,266 min \$1,582 max	\$1,266 min \$1,664 max	\$1,266 min \$1,664 max
Mortgage Insurance	+ 164.18	+ 164.18	+ 164.18	+ 164.18
Estimated Escrow <i>Amount can increase over time</i>	+ 699.50	+ 699.50	+ 699.50	+ 699.50
<b>Estimated Total Monthly Payment</b>	<b>\$1,653.00</b>	<b>\$2,130 - \$2,446</b>	<b>\$2,130 - \$2,528</b>	<b>\$1,966 - \$2,446</b>
<b>Estimated Taxes, Insurance &amp; Assessments</b> <i>Amount can increase over time</i> <i>See Details on Page 4</i>	<b>\$842.09</b> a month	<b>This estimate includes</b> <input checked="" type="checkbox"/> Property Taxes <input checked="" type="checkbox"/> Homeowner's Insurance <input checked="" type="checkbox"/> Other: Windstorm Insurance, HOA <i>See page 4 for estimated property costs. You must pay for other costs separately.</i>		

# Know Before You Owe: Post-Proposal Consumer Testing of the Spanish and Refinance Integrated TILA-RESPA Disclosures

Presented to the  
Consumer Financial Protection Bureau  
November 20, 2013

Presented by  
Kleimann Communication Group, Inc.  
12600 Saint James Road  
Rockville, Maryland 20850-3747  
[www.kleimann.com](http://www.kleimann.com)



## Acknowledgements

This work was completed under Contract TCFP11BPA001, Call 0005 with an award date of 8/20/12.

The Consumer Financial Protection Bureau (CFPB) team was led by Richard B. Horn, Senior Counsel & Special Advisor. The team included David Friend and Nora Rigby, Counsels, and Rachel Ross, Special Assistant.

The Kleimann Communication Group team consisted of the Kleimann team, Graves Fowler Creative, and ASCI Translations, all woman-owned small businesses.

- The Kleimann team was led by Susan Kleimann, Ph.D., President. Four key members of Kleimann provided support to the project: Barbra Kingsley, Ph.D., Partner; Kristin Kleimann, Senior Manager; Karina Eldredge, Analyst; and Alex Miranda, Analyst.
- Sue Bodde was the lead designer from Graves Fowler Creative with support from Mariann Seriff, Creative Director, and Terry Graves, President.
- The ACSI Translation team was led by Andres Echeverri, President, with support from Laura Grenada and Cherlin Varela, Translators.

# Table of Contents

<b>Acknowledgements</b> .....	i
<b>Executive Summary</b> .....	v
<b>Chapter 1. Introduction</b> .....	1
Background.....	1
Public Comments on the Proposed Disclosures.....	2
Post-Proposal Consumer Testing .....	3
About This Report.....	5
<b>Part 1. Spanish Translations</b> .....	6
<b>Chapter 2. Round 1- Spanish Testing in Arlington, Virginia (October 2012)</b> .....	7
Introduction .....	7
Translation Findings .....	9
Positive Comments about the Disclosures .....	13
Conclusion .....	14
Key Changes .....	14
<b>Chapter 3. Round 2 – Spanish Testing in Phoenix, Arizona (November 2012)</b> .....	15
Introduction .....	15
Translation Findings .....	17
Positive Comments about the Disclosures .....	19
Conclusion .....	20
Key Changes .....	20
<b>Chapter 4. Round 3 – Spanish Testing in Miami, Florida (December 2012)</b> .....	23
Introduction .....	23
Translation Findings .....	25
Positive Comments about the Disclosures .....	27
Conclusion .....	28
Final Changes .....	28

<b>Part II. Refinance Transactions and Closing Costs</b> .....	30
<b>Chapter 5. Round 4 – Refinance Testing in Bethesda, Maryland (June 2013)</b> .....	33
Introduction .....	33
Findings – Loan Estimate .....	39
Findings – Closing Disclosure .....	40
Findings – Partial Payments .....	42
Positive Comments about the Disclosures .....	43
Conclusion .....	43
Key Changes for Refinance Transactions .....	44
<b>Chapter 6. Round 5 – Spanish Refinance Testing in Baltimore, Maryland (July 2013)</b> .....	45
Introduction .....	45
Findings – Loan Estimate .....	47
Findings – Closing Disclosure .....	48
Positive Comments about the Disclosures .....	49
Conclusion .....	50
Key Changes for Refinance Transactions .....	50
<b>Chapter 7. Round 6 –Refinance and Closing Cost English Testing in Baltimore, Maryland (July 2013)</b> .....	51
Introduction .....	51
Findings – Loan Estimate .....	54
Findings – Closing Disclosure .....	56
Positive Comments about the Disclosures .....	57
Conclusion .....	58
Key Changes for Refinance Transactions .....	59
<b>Chapter 8. Round 7 –Closing Cost and Refinance Testing in Richmond, Virginia (July 2013)</b> .....	61
Introduction .....	61
Findings – Loan Estimate .....	65
Findings – Closing Disclosure .....	68
Positive Comments about the Disclosures .....	70
Conclusion .....	71
Final Changes .....	71

<b>Chapter 9. The Final Spanish Disclosures</b> .....	73
Spanish Loan Estimate Details.....	73
Spanish Closing Disclosure Details .....	78
<b>Chapter 10. The Final Refinance Disclosure</b> .....	87
Refinance Loan Estimate Details.....	87
Refinance Closing Disclosure Details .....	92
<b>List of Appendices</b> .....	99
<b>List of Figures</b>	
Figure 1. Partial Payments Options .....	36
<b>List of Tables</b>	
Table 1. Consistency Changes Made for the Quantitative Testing Based on Public Comments.....	2
Table 2. Translation Changes to the Spanish Disclosures .....	8
Table 3. Disclosure Terms for Round 1 .....	9
Table 4. Disclosure Terms for Round 2 .....	14
Table 5. Disclosure Terms for Rounds 1 and 2 .....	16
Table 6. Disclosure Terms for Rounds 1, 2, and 3.....	21
Table 7. Disclosure Terms for Rounds 1, 2, and 3.....	24
Table 8. Disclosure Terms for Rounds 1, 2, and 3 and Final Recommendations .....	29
Table 9. Disclosure Sections Tested .....	35
Table 10. Characteristics of Loans .....	38
Table 11. Changes Made to Refinance Disclosure Based on Round 4.....	44
Table 12. Loan Characteristics.....	46
Table 13. Disclosure Sections Tested .....	47
Table 14. Changes Made to Spanish Refinance Disclosure .....	50
Table 15. Disclosure Sections Tested .....	52
Table 16. Loan Characteristics.....	54
Table 17. Changes Made to Refinance Disclosure.....	59
Table 18. Disclosure Sections Tested .....	62
Table 19. Purchase Loan Characteristics .....	64
Table 20. Refinance Loan Characteristics.....	64
Table 21. Verbatim Answers to Questions about Closing Costs .....	66

## Executive Summary

### Introduction

The Dodd-Frank Wall Street Reform and Consumer Protection Act (the Dodd-Frank Act) created the Consumer Financial Protection Bureau (CFPB). The Dodd-Frank Act further directed the CFPB to propose rules and disclosures that combine certain disclosures under the Truth in Lending Act (TILA) and sections 4 and 5 of the Real Estate Settlement Procedures Act (RESPA).<sup>1</sup> On July 9, 2012, the CFPB issued a proposed rule and integrated disclosures (the Proposed Rule) for mortgage loan transactions covered by those laws. The CFPB proposed an integrated disclosure that would be provided after consumers apply for a mortgage loan (the Loan Estimate) and an integrated disclosure that would be provided before the loan closing (the Closing Disclosure). The CFPB proposed the Loan Estimate to replace the initial TILA disclosure and the Good Faith Estimate (GFE) provided after consumers apply for a mortgage loan. The CFPB also proposed the Closing Disclosure to replace the final TILA disclosure and the uniform settlement statement (HUD-1) provided before the loan closing.

As part of its Mortgage Disclosure Project, the CFPB developed and tested the Loan Estimate and the Closing Disclosure. This project included two phases using a User-Centered Design Process: a Qualitative Study, conducted before the Proposed Rule and published in July 2012, and a Quantitative Study, published in November 2013.<sup>2</sup> Public comments on most of the Proposed Rule were accepted until November 6, 2012, and the CFPB analyzed these comments for, among other things, suggested changes to the two proposed disclosures. Many comments suggested minor modifications to the disclosures to ensure greater consistency within and between the Loan Estimate and the Closing Disclosure. Accordingly, the CFPB made additional consistency changes to the disclosures and incorporated these minor design changes after the Proposed Rule in July 2012, and before the Quantitative Study began.

---

<sup>1</sup> See Dodd-Frank Act Section 1032 (f).

<sup>2</sup> See Kleimann Communication Group, *Know Before You Owe: Evolution of the Integrated TILA-RESPA Disclosures* (July 2012). Available at [www.consumerfinance.gov/knowbeforeyouowe](http://www.consumerfinance.gov/knowbeforeyouowe) and Kleimann Communication Group, *Know Before You Owe: Quantitative Study of the Current and Integrated TILA-RESPA Disclosures* (November 20, 2013). Available at [www.consumerfinance.gov/knowbeforeyouowe](http://www.consumerfinance.gov/knowbeforeyouowe)

Based on the public comments and internal analysis by the CFPB team, the CFPB further addressed three key issues:

1. a Spanish translation of the Loan Estimate and the Closing Disclosure;
2. a modified Loan Estimate and Closing Disclosure for refinance transactions; and
3. a concern about the low emphasis on the Closing Costs.

The CFPB team addressed these comments and evaluated the modifications in seven locations: three rounds of Spanish testing in Arlington, Virginia; Phoenix, Arizona; and Miami, Florida; three rounds of testing for refinance transactions in Bethesda, Maryland; Baltimore, Maryland (including one group for a Spanish translation for the disclosures for refinance transactions); and Richmond, Virginia; and two rounds for Closing Costs in Baltimore, Maryland and Richmond, Virginia.

## Who We Tested

Participants in all rounds represented a range of demographics, such as age, education, income, and experience with mortgage loans or refinancing. In Spanish translation rounds, participants spoke Spanish as their primary language.

## Methodology

For all rounds, we conducted cognitive and usability testing, using structured one-on-one interviews. In general, participants first received two Loan Estimates, did a think aloud, and answered comprehension questions on one Loan Estimate based on the research questions. Participants then received the matching Closing Disclosure, did a think aloud, and answered comprehension questions.

## Spanish Translation Testing

In the first two rounds of Spanish testing in the Qualitative Study, the results showed that issues with the Loan Estimate were mostly related to translation and not to differences in how the information was presented. Thus, the CFPB delayed testing the translated disclosures until the designs of both the Loan Estimate and the Closing Disclosure were fully developed and after the Proposed Rule. The final rounds of testing evaluated that the translations worked across multiple dialects, sociographics, and demographics that co-exist within the United States.

## What We Tested

After the initial translation of the disclosures, the CFPB team identified particular concepts that could pose problems in the translation. These concepts did not translate directly into Spanish, did not have a definite term across multiple dialects, or the concepts behind the terms were inherently difficult. These terms included: *Appraisal*, *Balloon Payment*, *Borrower*, *Escrow*, *Final Payment*, and *Origination Charges*. Between rounds of testing, we added language variations to expand options for participants and we focused on specific language options based on the results of the previous rounds of testing.



Because translation is not merely a substitution of one word for another, we tested our choices to find out if participants could, overall, use the disclosures as intended and understand the key characteristics of the loan. The goal of the Spanish testing was to determine if the translation of the English disclosures to Spanish were accurate and free of confusing words and concepts. We wanted to ensure that the disclosures used plain language reasonably accessible to different dialects spoken in the U.S. The Spanish disclosures included conventional, fixed rate, 30-year loan products, some with a balloon payment, as well as adjustable rate loans.

## Overall Results

Overall, both the Loan Estimate and the Closing Disclosure worked well for Spanish participants. Participants recognized important elements of the loan; they confidently compared the Loan Estimate to the Closing Disclosure using the similar designs; and they could use individual sections of the disclosures to understand key information. Spanish participants could identify the basic loan terms, such as the loan amount, the interest rate, the balloon payment, the monthly payment, the taxes and insurance costs, the cash needed to close, and closing costs, as well as the changes that could happen to their payments and interest rate. Several participants also commented positively about the disclosures being in Spanish, indicating that the design was clear, understandable, and well-presented and emphasized important information. See *Table 1. Disclosure Terms for Rounds 1, 2, and 3 and Final Recommendations* for the language choices for each round of testing.

**Table 1. Disclosure Terms for Rounds 1, 2, and 3 and Final Recommendations**

English Terms	Round 1 Terms	Round 2 Terms	Round 3 Terms	Final Recommendations
<b>Appraisal</b>	<i>Tasación</i>	<i>Valoración de la vivienda</i>	<i>Avaluó de la vivienda</i>	<i>Valoración de la vivienda</i>
<b>Balloon Payment (in Loan Terms)</b>	<i>Pago final pactado o programado/ Cuota extra final</i>	<i>Cuota extraordinaria</i>	<i>Cuota extraordinaria</i>	<i>Cuota extraordinaria</i>
<b>Borrower</b>	<i>Prestatario</i>	<i>Prestatario, Deudor</i>	<i>Deudor</i>	<i>Deudor</i>
<b>Escrow</b>	<i>Deposito de garantía estimado</i>	<i>Escrow</i>	<i>Reserva estimada para impuestos y seguros de la vivienda</i>	<i>Depósito para impuestos y seguros de la vivienda</i>
<b>Final Payment (in Projected Payments)</b>	Not used in Round 1	<i>Pago final</i>	<i>Pago final pactado en el año 7</i>	<i>Pago final pactado</i>
<b>Loan Product</b>	N/A	N/A	N/A	<i>Año 7 cuota extraordinaria, tasa fija</i>
<b>Origination Charges</b>	<i>Gastos por tramitación</i>	<i>Gastos por tramitación</i>	<i>Gastos por tramitación</i>	<i>Gastos por tramitación</i>

## Specific Findings

For the term *Appraisal*, some participants understood the term *tasación*, but a few suggested alternatives, such as *valoración de la vivienda* and *avaluó de la vivienda*. Although many participants understood *avaluó de la vivienda*, they also understood both *valoración de la vivienda* and *tasación de la vivienda*, but preferred the former term.

### **Recommendation: Use the term *valoración de la vivienda*.**

For the term *Borrower*, a few participants were unfamiliar with the term *prestatario* for borrower. They suggested using *fiador* – guarantor, *comprador* – buyer, and *deudor* – debtor. The *fiador* – guarantor seemed overly technical and the term *comprador* – buyer is technically incorrect since the borrower could be refinancing instead of buying. Most participants understood the term *deudor* and said that it was clearer than *prestamista*.

### **Recommendation: Use the term *deudor*.**

For the term *Balloon Payment*, most participants struggled to understand the industry-specific term *balloon payment*. Because the term does not have an equivalent in Spanish, we tried to identify a Spanish term that would signal that this payment was different from the regular monthly payment. Some participants suggested *pago final pactado*, which translates loosely to “final payment.” In the English disclosure, “final payment” was the term used in *Projected Payments* for loans with a balloon payment that was the final payment of the loan. The term *pactado* added a sense of a payment that was “agreed upon” previously. We also tested *pago final en el año 7* (final payment in year 7) as an alternative term as some participants suggested adding a time frame.

In *Loan Terms*, *cuota extraordinaria* seemed to signal to participants that the payment was unusual, even if they did not have a precise understanding. With the addition of *pago final pactado* in the *Projected Payments* section, participants talked about the consequences of a large final payment. The term *pago final en el año 7* confused some participants and they mistakenly believed the final payment to be the cumulative amount paid by them on the loan at the end of 7 years, perhaps because of the phrasing *en el año 7*.

### **Recommendation: Use the term *cuota extraordinaria* in *Loan Terms* and *pago final pactado* in *Projected Payments*.**

For the term *Escrow*, we showed participants several options for the term *escrow*: *depósito de garantía reserva para impuestos y seguros de la vivienda*, *avaluó de la vivienda*, *depósito de la vivienda*, and *depósito para impuestos y seguros de la vivienda*. We also tested the English term *escrow* instead of a Spanish term to test if Spanish-speaking participants were familiar with and understood it. Participants were unfamiliar with the English term. Some liked the term *depósito* because they associated it with making a security deposit when signing a lease or renting an apartment.

### **Recommendation: Use the term *depósito para impuestos y seguros de la vivienda*.**

For the term *Origination Charges*, we tested only the term *Gastos por tramitación* for origination charges. During initial testing, participants talked about general “paperwork.” It was unclear if they understood that origination charges may be for more than document preparation, such as points and underwriting. However, further testing indicated that participants understood the term and it conveyed to them that the charges listed in the section were more than merely the paperwork.

**Recommendation: Use the term *gastos por tramitación*.**

## Refinance Disclosure Testing

Although the Proposed Rule included a proposed Loan Estimate and Closing Disclosure for a refinance transaction, the CFPB received public comments suggesting that some aspects of these disclosures could be confusing to consumers. In particular, the comments raised concerns about using a negative number when consumers receive cash back from a refinance loan in the *Cash to Close* section and the *Calculating Cash to Close* table. Accordingly, the CFPB changed these aspects of the disclosures and conducted additional testing on these disclosures.

### Goals of Testing

For the refinance disclosure testing, we wanted to assess whether participants could, overall, use the disclosures as intended and understand the key characteristics of the loan. The overall goal of the refinance testing was to identify whether Design 1-Proposed or Design 2-Revised performed better. Specifically, the research questions for the Loan Estimate included:

- Could participants identify the amount of cash they needed at closing?
- Could participants identify if they would get money back?
- Did participants perform better with the negative number in Design 1-Proposed or the \$0 in Design 2-Revised?

The specific research questions for the Closing Disclosure included:

- Could participants understand how the distributions and disbursements were made from the loan amount?
- Could participants use the *Calculating Cash to Close* and *Disbursements to Other/ Payoffs and Payments (Section K)* tables to follow how the money paid out of loan proceeds affected the amount they were receiving or the amount they now owed?

### What We Tested in Bethesda, Maryland

Since a refinance transaction involves only a lender and the borrower, with no seller represented, the design of the proposed refinance disclosures had a number of standard changes from the purchase disclosures:

1. Loan Estimate and Closing Disclosure, page 1, use *Refinance* as the *Purpose* of the loan;
2. Closing Disclosure, page 2, Closing Details show only *Borrower Paid* and *Paid by Others* details; and
3. Closing Disclosure, page 3, *Payments and Payoffs* replaces *Summaries of Transactions*.

In Bethesda, we tested two designs of the Loan Estimates and Closing Disclosures for refinance transactions: (1) the disclosures that the CFPB included in the Proposed Rule and (2) the disclosures the CFPB team revised based on public comments.

Design 1 – The Proposed Disclosures from the Proposed Rule (Design 1-Proposed) include the following characteristics:

- Loan Estimate and Closing Disclosure, page 1, *Cash to Close* shows cash to the borrower by using a negative number.
- Loan Estimate, page 2, *Calculating Cash to Close* table shows cash to the borrower by using a negative number.
- Closing Disclosure, page 3, *Calculating Cash to Close* table shows cash to the borrower using a negative number.

Design 2 – The Revised Disclosures based on the internal CFPB team revisions and public comments (Design 2-Revised) include the following characteristics:

- Loan Estimate and Closing Disclosure, page 1, *Cash to Close*. If cash is owed to the borrower, the cash to close number is \$0. If the borrower needs cash to close, it is shown as a positive number, as is true in the Loan Estimate for a purchase transaction.
- Loan Estimate, page 2, *Calculating Cash to Close*. The table is simplified to show *the Loan Amount*, the *Estimated Closing Costs*, the *Estimated Payoffs and Payments*, and a row that identifies the amount of cash due and uses checkboxes to indicate if the amount is “To” or “From” the borrower. This table was designed to be similar to the calculation on the current HUD-1A settlement statement, which is the optional version of the HUD-1 settlement statement for refinance transactions designed by HUD. The order reflected the way consumers might think about the transaction, starting with the loan amount.
- Closing Disclosure, page 3, *Calculating Cash to Close*. The simplified table matches the section on the Loan Estimate. It shows the *Loan Amount*, the *Total Closing Costs*, the *Closing Costs Paid Before Closing*, the *Payoffs and Payments*, and a final row that identifies the amount of cash due and uses checkboxes to indicate if the amount is “To” or “From” the borrower.
- Closing Disclosure, page 3, *Section K, Payoffs and Payments* replaces the *Disbursements to Others*, to use a term that may be more understandable to consumers.

## Findings for Refinance in Bethesda, Maryland

Overall, participants preferred Design 2-Revised.

For the *Estimated Cash to Close* in the Loan Estimate, few of the participants immediately understood that they were getting money back. For Design 1-Proposed, the negative number confused some participants and others misinterpreted what it meant. For Design 2-Revised, some participants did not understand why the amount listed was \$0, even if they understood that the \$0 showed that they did not need to bring money to the closing.

For the *Calculating Cash to Close Table* in Design1-Proposed, inexperienced participants understood that it showed a calculation but they could not follow the math. Sometimes they simply misinterpreted the headings. Experienced participants with Design1-Proposed did better. However, participants using Design 2-Revised could explain the calculation more easily and understood that the closing costs were subtracted from the amount that they borrowed.

The *Calculating Cash to Close and Section K, Disbursements to Others/Payoffs and Payments, p.3* of both designs presented challenges.

- On Day 1 of testing, many participants could not locate *Section K, Disbursements to Others/Payoffs and Payments* and relate it to the *Calculating Cash to Close* table. They looked on previous pages, and even when some could find the section, the participants had difficulty understanding how it related to the *Calculating Cash to Close* table.
- On Day 2, for Design 2-Proposed, we moved *Section K, Payoffs and Payments* to the top of page 3 and moved the *Calculating Cash to Close* table below *Section K* to provide a more logical order to the information. We also showed this revision to participants who worked with Design 1-Proposed. Nearly all participants using this altered version could connect *Section K, Payoffs and Payments*, and the *Calculating Cash to Close* table more easily. Participants understood the *Calculating Cash to Close* numbers and where they came from more easily with this order. Those who viewed this version after working with Design 1-Proposed also expressed a preference for this version.

In addition, the *Partial Payments* section used two checkboxes, and participants expected two options. A closer reading, however, showed a third option embedded in the text. Many participants indicated this language was unclear and confusing. On Day 2, we tested a version that identified the three options for the partial payments. The alternatives were provided on a separate piece of paper. Most participants understood this section better when it was broken into three separate conditions with three stacked checkboxes.

Based on results in Bethesda, Maryland, we eliminated Design 1-Proposed from further testing. We made several design and language changes to Design 2 for further testing that helped participants better understand the disclosures, including to the *Partial Payments* section.

## What We Tested in Baltimore, Maryland in Spanish

On Day 1 in Baltimore, we tested a Spanish translation of the disclosure for refinance transactions.

We added two checkboxes to the *Cash to Close* table in the *Cash to Close* row on page 1 to identify whether the amount indicated was “From” or “To” the borrower which allowed us to eliminate the negative numbers and the use of zero.

- We added two checkboxes to the *Calculating Cash to Close* table to identify whether the amount indicated was “From” or “To” the borrower.
- We placed *Section K, Payoffs and Payments* on page 3 before the *Calculating Cash to Close* table.
- We used the revised language and design for the *Partial Payments* section.

## Findings for Spanish Refinance in Baltimore, Maryland

The modified refinance Loan Estimates and Closing Disclosures were also translated into Spanish and tested to ensure the performance of the Spanish translations for the refinance-specific disclosures. A list of items we focused on and our findings is provided below:

- *Loan Estimate, Costs at Closing:* Most participants could identify whether money was coming to them and they understood that they were financing the *Closing Costs*. The checkboxes for “From” and “To” borrower helped participants to easily identify if they were getting money or owing money at closing. Most participants could identify the *Closing Costs* and understood the difference between the *Closing Costs* and the *Cash to Close* amounts. A few participants misinterpreted the table. They thought that they both had to write a check (to pay the *Closing Costs*) and would receive money back (from the money they had planned to take out from the loan).
- *Calculating Cash to Close Table:* Starting with the initial *Loan Amount* helped participants follow the math. Participants could understand what the costs of the loan were, including *Closing Costs*. They also understood that the *Loan Costs* were subtracted from the amount that they borrowed.
- *Closing Disclosure, Costs at Closing:* Most participants could identify whether money was coming to them and they could identify what the *Closing Costs* were. Additionally, most participants distinguished between the *Closing Costs* and *Cash to Close* amounts.
- *Closing Disclosure, Calculating Cash to Close Table and Section K, Payoffs and Payments:* Placing the *Calculating Cash to Close* table after *Section K, Payoffs and Payments* helped participants understand the math in the table and how the table was related to that section. Some participants struggled to understand that the lender was paying off creditors for them. Some did not understand how the table related to the amount of money that they would receive from the lender.

## Closing Costs and Refinance Testing in Baltimore, Maryland and Richmond, Virginia

The CFPB had analyzed public comments to the Proposed Rule that raised concern about the low emphasis on *Closing Costs* in the *Cash to Close* section on page 1. In addition, the results from the Quantitative Study further reinforced a cause for concern. Question 16 from the Quantitative Study asked “How much are your estimated closing/settlement costs?” In the design of the GFE, *Summary of your settlement charges* was a prominent heading on page 1, but the cash to close amount was not included on the current Good Faith Estimate (GFE). In contrast, the design of the proposed Loan Estimate deliberately placed *Estimated Cash to Close* in a prominent heading. *Closing Costs* were de-emphasized by being placed in a smaller font to the right of the *Estimated Cash to Close* amount.

Because the concept of closing costs/settlement charges is important, the CFPB team included such a question in the Quantitative Study. However, because the *Cash to Close* amount was not on the GFE, the CFPB team chose to ask a question about closing costs/settlement charges, rather than about the cash needed to close. The CFPB team anticipated that participants who

worked with the GFE might perform somewhat better than those with the Loan Estimate, but did not anticipate the difference to be better at a statistically significant level.<sup>3</sup> For this question, the current disclosures outperformed the proposed disclosures by over 39 percentage points.

As a result, the CFPB team modified the disclosures to place greater emphasis on *Closing Costs* so that the figure would be more readily visible to consumers. The CFPB team renamed the *Cash to Close* section to *Costs at Closing* and included separate rows for the *Closing Costs* and the *Cash to Close* amounts. The team also added two checkboxes to the *Cash to Close* row, underneath the header *Cash to Close*, to identify whether the amount was “From” or “To” the borrower.

The goal was to assess whether the *Costs at Closing* section and *Calculating Cash to Close* tables performed well on both refinance and purchase transactions. The revised designs were tested for refinance transactions in Baltimore, Maryland and for purchase transactions in Richmond, Virginia. Specifically, we tested whether participants could identify when they received money back or when they owed money. In particular, we wanted to ensure that the disclosures helped them identify when the Loan Estimate estimated money back, but the Closing Disclosure showed they owed money.

## Overall Refinance and Closing Costs Findings

Overall, the Loan Estimate and the Closing Disclosure for both purchase and refinance transactions worked well for participants. They could identify and understand the general terms and could distinguish between the *Closing Costs* and the *Cash to Close*. Most participants could identify how much money they owed or were receiving from the bank at closing by looking at the checkboxes in the *Costs at Closing* section. Most participants understood *Section K, Payoffs and Payments*, and why they now owed money on the refinance Closing Disclosure (as opposed to receiving money on the Loan Estimate). Even if a section or concept was not totally clear to participants, many said that the disclosures activated them to ask questions. Several participants commented positively about the disclosures, indicating that the information provided was helpful for understanding the terms of the loan.

## Specific Refinance and Closing Costs Findings

For the Loan Estimate, *Costs at Closing*, most participants could identify the *Closing Costs* and the *Cash to Close* amounts, specifically whether they would receive money or have to pay the bank.

For the Closing Disclosure, *Costs at Closing*, most participants could identify the *Closing Costs* and the *Cash to Close* amounts, specifically whether they would receive money or have to pay the bank. Nearly all participants could identify when the amounts on the Loan Estimate were different from those on the Closing Disclosure.

---

<sup>3</sup> See Kleimann Communication Group, November 20, 2013, *Quantitative Study*, Chapter 6, p.73.

## Final Changes

Based on the results of this testing, we changed the Spanish translation to match the final versions of the Loan Estimate and the Closing Disclosure for both purchase and refinance transactions.

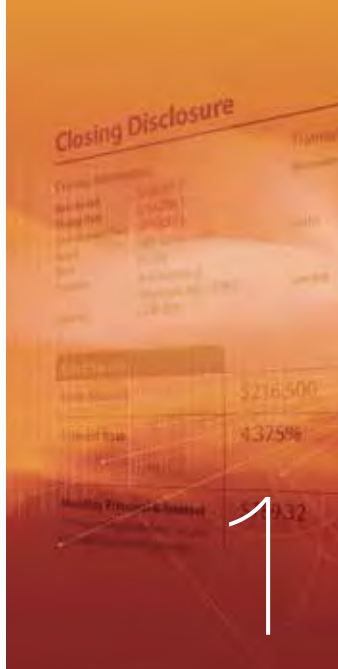
### Changes for Purchase Transactions

- On both the Loan Estimate and the Closing Disclosure, the *Cash to Close* table was changed to read *Costs at Closing*. We used separate rows for the *Closing Costs* and the *Cash to Close* amounts in order to better emphasize the *Closing Costs*.
- On page 1 of the Loan Estimate and Closing Disclosure, we deleted the two checkboxes in the *Costs at Closing* section that identified whether the amount was “From” or “To” the borrower since this information is not needed for most purchase transactions.
- In the *Calculating Cash to Close* table on page 3 of the Closing Disclosure, *Estimate* was changed to read *Loan Estimate* as a header in the table to highlight that those amounts come from the Loan Estimate the borrower received at application.
- The *Closing Costs Financed* row in the *Calculating Cash to Close* table on page 3 of the Closing Disclosure was moved to the “Did this change?” column, in the *Cash to Close* row to clarify the *Calculating Cash to Close* calculation.

### Changes for Refinance Transactions

- The new *Costs at Closing* section replaced the former *Cash to Close* section on page 1 of the Loan Estimate and Closing Disclosure.
- The “To” and “From” checkboxes were moved into the text of the *Cash to Close* row on the *Costs at Closing* table.
- On page 3 of the Closing Disclosure, we added *Loan* to the *Estimate* header so that it read *Loan Estimate* in the *Calculating Cash to Close* table.
- On page 3 of the Closing Disclosure, we moved the *Closing Costs Financed* row in the *Calculating Cash to Close* table to the “Did this change?” column in the *Cash to Close* row.





## Introduction

### Background

On July 21, 2010, Congress enacted the Dodd-Frank Wall Street Reform and Consumer Protection Act (the Dodd-Frank Act), which created the Consumer Financial Protection Bureau (CFPB). As part of its broad mandate, the CFPB assumed certain responsibilities for the Truth in Lending Act (TILA) and the Real Estate Settlement Procedures Act (RESPA).<sup>1</sup> The Dodd-Frank Act directed the CFPB to propose rules and disclosures integrating the mortgage disclosure requirements under TILA and sections 4 and 5 of RESPA.<sup>2</sup>

On July 9, 2012, as directed by the Dodd-Frank Act, the CFPB issued a proposed rule and disclosures (the Proposed Rule) to combine certain disclosures required under TILA and Sections 4 and 5 of RESPA for mortgage loan transactions covered by those laws.<sup>3</sup> The CFPB proposed an integrated disclosure that would be provided after consumers apply for a mortgage loan (the Loan Estimate) and an integrated disclosure that would be provided before the loan closing (the Closing Disclosure). The CFPB proposed the Loan Estimate to replace the initial TILA disclosure and the Good Faith Estimate (GFE) provided at application currently under TILA and RESPA, respectively. The CFPB also proposed the Closing Disclosure to replace the final TILA disclosure and the uniform settlement statement (HUD-1) currently under TILA and RESPA, respectively.

<sup>1</sup> Title X of the Dodd-Frank Act, the "Consumer Financial Protection Act of 2010," Public Law 111-203.

<sup>2</sup> See Dodd-Frank Act Sections 1032(f), 1098, and 1100A.

<sup>3</sup> 77 FR 51116 (Aug. 23, 2012).

The CFPB developed and tested the Loan Estimate and the Closing Disclosure as part of its Mortgage Disclosure Project which included two phases: a Qualitative Study and a Quantitative Study. The portion of the Qualitative Study that was conducted before the Proposed Rule was completed and published in July 2012.<sup>4</sup> The Quantitative Study was completed in October 2013 with the final report published in November 2013.<sup>5</sup>

## Public Comments on the Proposed Disclosures

Public comments on most of the Proposed Rule were accepted until November 6, 2012.<sup>6</sup> The CFPB analyzed these comments for, among other things, suggested changes to the two proposed disclosures. Many of the disclosure-related comments suggested minor modifications to the disclosures to ensure greater consistency within and between the Loan Estimate and Closing Disclosure. Accordingly, after the Proposed Rule in July 2012, the CFPB made additional consistency changes to the disclosures and incorporated these minor design changes before the Quantitative Study began. See *Table 1. Consistency Changes Made for the Quantitative Testing Based on Public Comments*.

**TABLE 1. Consistency Changes Made for the Quantitative Testing Based on Public Comments**

Loan Estimate	Closing Disclosure	Change
✓	✓	Changed <i>Assumption</i> language to make it more consistent between the two disclosures
✓	✓	Changed directional language in <i>Loan Terms</i> to refer to <i>Estimated Total Monthly Payment</i> so the reference to total payment was consistent between <i>Loan Terms</i> and <i>Projected Payments</i>
✓	✓	Changed directional language in <i>Loan Terms</i> and <i>Projected Payments</i> to sentence case in order to increase readability
	✓	On page 1, specified <i>Settlement Agent</i> in the closing information section
	✓	On page 3, removed the term “Borrower” from the <i>Borrower’s Loan Amount</i> in <i>Summaries of Transactions</i> , for consistency with the use of <i>Loan Amount</i> on page 1
	✓	On page 4 on the escrow table, changed row headings <i>Initial Payment</i> and <i>Monthly Payment</i> to <i>Initial Escrow Payment</i> and <i>Monthly Escrow Payment</i> for consistency with <i>Estimated Escrow</i> on page 1
	✓	On page 4, changed <i>Escrow Account</i> checkbox for “no escrow” to delete “require or” to reflect that this option is already accounted for in the “decline” checkbox

4 See Kleimann Communication Group, July 2012, *Know Before You Owe: Evolution of the Integrated TILA-RESPA Disclosures*. Available at [www.consumerfinance.gov/knowbeforeyouowe](http://www.consumerfinance.gov/knowbeforeyouowe).

5 See Kleimann Communication Group, November 20, 2013, *Know Before You Owe: Quantitative Study of the Current and Integrated TILA-RESPA Disclosures*. Available at [www.consumerfinance.gov/knowbeforeyouowe](http://www.consumerfinance.gov/knowbeforeyouowe).

6 The Proposed Rule provided for a bifurcated comment process. Comments regarding the proposed amendments to 12 CFR 1026.1(c) were required to be received on or before September 7, 2012. For all other proposed amendments and comments pursuant to the Paperwork Reduction Act, comments were required to be received on or before November 6, 2012.

The public comment period produced three significant development suggestions for both the Loan Estimate and the Closing Disclosure:

1. a Spanish translation of the Loan Estimate and the Closing Disclosure;
2. a modified Loan Estimate and Closing Disclosure for refinance transactions; and
3. a concern about Closing Costs.

The CFPB used qualitative testing to evaluate the modifications made to address these three issues, as described below.

## Post-Proposal Consumer Testing

Based on the public comments and internal analysis by the CFPB team, the CFPB undertook addressing the above suggestions.

### Spanish Translation of the Loan Estimate and Closing Disclosure

In the first two rounds of testing for the Mortgage Disclosure Project, prior to issuing the Proposed Rule, the CFPB had translated the early prototypes of the Loan Estimate into Spanish and tested the translations with Spanish-speaking participants. The CFPB had intended to co-develop Spanish language versions of the integrated disclosures, to ensure the design aided consumer understanding in both English and Spanish. The testing results showed that issues with the Loan Estimate were mostly related to translation and not to differences in how the information was presented. As a result, as discussed in the Proposed Rule, the CFPB delayed testing of the translated disclosures until the designs of both the Loan Estimate and the Closing Disclosure were fully developed. From October 2012 through July 2013, the CFPB developed and tested the Spanish translations of the Loan Estimate and the Closing Disclosure in four rounds of testing in Arlington, Virginia; Phoenix, Arizona; Miami, Florida; and Baltimore, Maryland.

### Modified Loan Estimate and Closing Disclosure for Refinance and Purchase Transactions

Although the Proposed Rule included a proposed Loan Estimate and Closing Disclosure for a refinance transaction, the CFPB received public comments suggesting that some aspects of the proposed disclosures could be confusing to consumers for such transactions. In particular, public comments raised concerns about using a negative number when consumers receive cash from a refinance loan in the *Cash to Close* section and the *Calculating Cash to Close* table. Accordingly, the CFPB evaluated potential changes to these aspects of the Loan Estimate and Closing Disclosure and tested these modified disclosures in Bethesda, Maryland; Baltimore, Maryland; and Richmond, Virginia. The Spanish testing in Baltimore, Maryland used the modified refinance Loan Estimates and Closing Disclosures to ensure the performance of the Spanish translations for the refinance-specific disclosures.

## Closing Costs

Some of the public comments to the Proposed Rule raised concerns with the low emphasis on *Closing Costs* in the *Cash to Close* section on page 1 of the disclosures. In addition, while testing the Spanish disclosures in Baltimore, the team reviewed results from the Quantitative Study, Phase 2 of the Mortgage Disclosure Project which reinforced the need to modify this section.<sup>7</sup> In one question that asked about the amount of estimated closing costs/settlement costs, the current disclosures outperformed the proposed disclosures by over 39 percentage points. As a result, the CFPB team attending the Baltimore testing discussed ways to place greater emphasis on *Closing Costs* so that the figure would be more readily visible to consumers. The CFPB team then tested this modification to the Loan Estimate and Closing Disclosure that would apply to all transactions.<sup>8</sup> This testing occurred in Baltimore, Maryland and Richmond, Virginia. All testing was completed in June and July 2013.

---

<sup>7</sup> See Kleimann, November 20, 2013, *Quantitative Study*, Chapter 6, p. 73.

<sup>8</sup> See *Part II. Refinance and Purchase Disclosure Changes and Chapter 7. Round 6 – Refinance Testing in Baltimore, Maryland (July 2013)* in this report for more discussion about this modification.

## About This Report

This report has two parts:

### Part I. Spanish Translations

This part covers the Spanish translation and testing of the Loan Estimate and Closing Disclosure for purchase transactions.

- Chapter 2. Round 1 – Spanish Testing in Arlington, Virginia
- Chapter 3. Round 2 – Spanish Testing in Phoenix, Arizona
- Chapter 4. Round 3 – Spanish Testing in Miami, Florida

### Part II. Refinance Transactions and Closing Costs

This part covers the testing for refinance transactions in English and one round of testing for the Spanish translation. It also covers testing for the Closing Costs redesign for refinance and purchase transactions.

- Chapter 5. Usability Testing Round 4 – Refinance English Testing in Bethesda, Maryland
- Chapter 6. Usability Testing Round 5 – Refinance Spanish Testing in Baltimore, Maryland<sup>9</sup>
- Chapter 7. Usability Testing Round 6 – Refinance and Closing Cost English Testing in Baltimore, Maryland<sup>10</sup>
- Chapter 8. Usability Testing Round 7 – Closing Cost and Refinance Testing in Richmond, Virginia

*Appendix A* and *Appendix B* provide the demographics for the testing and *Appendix C* through *Appendix I* provide copies of the disclosures used in testing.

---

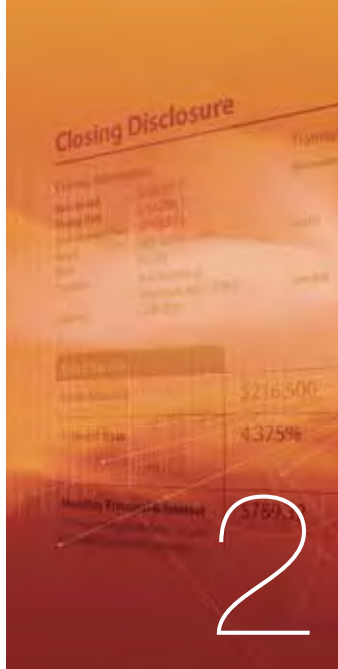
<sup>9</sup> The Spanish testing used these modified refinance versions of the integrated disclosures to ensure the performance of the Spanish translations on the refinance-specific disclosures.

<sup>10</sup> This round of testing also evaluated a modification to the Loan Estimate and Closing Disclosure for all transactions, including a purchase transaction. Baltimore focused on the change for refinance versions and Richmond tested purchase versions as well as refinance versions.

## Part I. Spanish Translations

Translation is an art, not a mere substitution of terms from one language for terms from another language, and not merely a grammatical issue of right or wrong. Good translation requires an understanding of the concepts, source, style, industry, audience, and culture, as well as of the thought process of a different language. Even more, when we address Spanish translations, we must consider the multiple dialects, sociographics, and demographics that co-exist within the United States. For a project which cuts across all socioeconomic levels, threading the needle to select the best translation of a concept or a term—for as many people as possible—becomes even more challenging.

For this project, after the initial translation, we identified particular concepts that we believed could pose problems in the translation, because these concepts did not translate directly into Spanish, did not have a definite term across multiple dialects, or the concepts behind the terms were also issues in English. As we did for the English disclosures, we selected our best choices. We then tested our choices to find out if participants could, overall, use the disclosures as intended. In the testing, participants confirmed the success of some choices and the need to refine other choices.



## Round 1– Spanish Testing in Arlington, Virginia (October 2012)

### Introduction

For the first round of Spanish qualitative testing, we conducted cognitive and usability testing in Arlington, Virginia in October 2012.

### Round 1 Research Goals

The overall goal of this testing was to determine if the translations of the English disclosures to Spanish were accurate and free of confusing terms and concepts. We wanted to ensure that the disclosures had plain language reasonably accessible to different dialects spoken in the U.S. Although we noted how well participants could use the disclosures, our main focus was the clarity of the translations.

### Who We Tested

Participants spoke Spanish as their primary language and identified themselves primarily as Central American. With that as a constant, they represented a range of demographics, such as age, education, income, and experience with mortgage loans. See *Appendix A. Demographic Summary*.

### Interview Structure

For Round 1 testing, we used structured 90-minute, one-on-one interviews. Participants first received a Loan Estimate, did a think aloud, and answered comprehension questions based on the research questions. Participants then received the matching Closing Disclosure, did a think aloud, and answered comprehension questions. See *Appendix C. Round 1 Spanish Disclosures*.

## What We Tested—Design

For Round 1, the Loan Estimate and the Closing Disclosure were based on the disclosures from the Proposed Rule issued by the CFPB on July 9, 2012. We made several minor design changes to accommodate the text expansion of 20% for English to Spanish translations.<sup>11</sup> These changes included rearranging sections of the disclosures to retain as much logical and spatial consistency as possible. For example, the logic in the English disclosures listed items in alphabetical order so consumers could more easily locate a given item. We used the same logic for the Spanish disclosures, but the translation changed the order from the English disclosures. See *Table 2. Translation Changes to the Spanish Disclosures*.

**TABLE 2. Translation Changes to the Spanish Disclosures**

Disclosure	Change	Page #
<b>Loan Estimate</b>	<b>Other Considerations</b> – Items are placed in alphabetical order.	3
<b>Closing Disclosure</b>	<b>Loan Disclosures</b> – <i>Assumption, Late Payment, Partial Payments, and Security Interest</i> disclosures are moved to page 5. The information is placed in alphabetical order.	4
<b>Closing Disclosure</b>	<b>Loan Disclosures</b> – Continues on this page to include <i>Assumption, Late Payment, Partial Payments, and Security Interest</i> . The <b>Loan Disclosures</b> section is the first to appear on this page. The information is placed in alphabetical order.	5
<b>Closing Disclosure</b>	<b>Loan Calculations</b> – Section is placed on the left side of the page below the <b>Loan Disclosures</b> section.	5
<b>Closing Disclosure</b>	<b>Questions Box</b> – Section is placed on the right side of the page below the <b>Other Disclosures</b> section.	5
<b>Closing Disclosure</b>	<b>Other Disclosures</b> – Disclosures are placed in alphabetical order.	5
<b>Closing Disclosure</b>	<b>Contact Information</b> and <b>Confirm Receipt</b> sections are on a new page 6.	6

<sup>11</sup> For estimates of how translation affects the text length, see <http://www.universaldialog.com/expand.html>.



We used two loan types: A 30 year Fixed Rate loan and a 5 year Interest Only, 5/3 Adjustable Rate loan.

## What We Tested—Language

We were aware that some mortgage terms had proven difficult to understand in English and we expected that these same terms could be difficult in Spanish. Our translators also identified terms that they expected participants to have difficulty with. In addition, based on the results of the Spanish language testing prior to issuing the Proposed Rule, we expected some terms to be difficult to understand. Specifically, we anticipated difficulties with the following phrases and their translations: appraisal, balloon payment, and escrow.

## Translation Findings

In general, the Spanish translations of the English disclosures performed well. As we had anticipated, participants did encounter difficulties with some of the terms on which we were focusing attention. Participants also identified additional translation issues with the terms *Borrower* and *Origination Charges*. See *Table 3. Disclosure Terms for Round 1*.

**TABLE 3. Disclosure Terms for Round 1**

English Terms	Round 1 Terms
Appraisal	Tasación
Balloon Payment	Pago final pactado o programado/Cuota extra final
Borrower	Prestatario
Escrow	Depósito de garantía estimado
Origination Charges	Gastos por tramitación

### Appraisal – *Tasación*

Some participants understood the term *tasación*, but a few suggested alternatives they considered more accurate, such as *valoración de la vivienda*.

“ I think *tasación* is an estimate that has to do with the comparison of this home and where this home is located...To me, it [avalúo de la vivienda] is appraisal...[I would rank the options as]...It would be *avalúo de la vivienda*, second would be *valoración de la vivienda*, and last would be *tasación*. (VA-007 Spanish Inexperienced)

I don't understand *tasación*. [I think that *valoración de la vivienda* will] tell you exactly the value of the property...I know what *avalúo* is, but not everyone knows what *avalúo* is. *Valoración* is more practical. (VA-008 Spanish Inexperienced)

*I understand tasación as they are valuing your property. To value, to know the value of something. That, to me, is to appraise...Valoración of the property is more clear than tasación. Some people don't know or don't understand the concept of tasación. It is easier or more simple when you read valoración de la vivienda – then you know that they are giving a value to your property without complex terminology. Valoración is a more colloquial term. (VA-002 Spanish Experienced)*

*I think [by tasación] you guys are trying to determine what the price of the home is – the “fair market value.” I might use comparación as a comparison of the type of home that I want to buy in comparison to a similar home in the same area. (VA-003 Spanish Experienced)*

*I assume that this [tasación] is the appraisal of the property. An evaluation. [I might use the term] una evaluación. (VA-004 Spanish Experienced)*

*Tasación is what the property is worth. [If I could choose the word, I would choose] valoración de la vivienda and tasación is second. (VA-006 Spanish Inexperienced)*

**Recommendation: Change the term *tasación* to *valoración de la vivienda*.**

### **Borrower – Prestatario**

A few participants were unfamiliar with the term used for borrower - *prestatario*. They suggested using *fiador* - guarantor and *comprador* - buyer. The term *comprador* - buyer is technically incorrect since in some situations, the borrower is not buying, but, for example, could be refinancing. Because the disclosures used generic names for the borrowers, consumers may understand the term *prestatario* better in the context of a transaction with their own names listed as the *prestatario*.

“ *I see at the top of page 1 the information about the prestatario. Prestatario? I've never heard of that word. Seller and lender. I would change the word prestatario for borrower to...fiador. (VA-007 Spanish Inexperienced)*

*What is el prestatario?...On page 2, on the part that says Calculating Cash to Close, who is the prestatario? [I think fiador is] much better. Much, much better. (VA-008 Spanish Inexperienced)*

*[I would use] comprador [buyer]. (VA-005 Spanish Experienced)*

**Recommendation: Use the term *prestatario* and continue to assess if participants are unfamiliar with the term *prestatario*.**

## Balloon Payment – *Pago final pactado o programado/Cuota extra final*

In this round, Spanish participants viewed loans without a balloon payment and, therefore, the only text participants saw related to balloon payment was the row in *Loan Terms* with the heading, *Balloon Payment*. We were not surprised by the difficulty in understanding the term balloon payment - *pago final pactado o programado/cuota extra final*. In general, most participants did not understand the concept of a balloon payment. In addition, we had placed all three choices on the disclosure to simplify, we thought, the choice for the participants. However, the three choices - *pago final pactado o programado/cuota extra final* - combined on a single line further confused them.<sup>12</sup>

After the moderator explained what a balloon payment was, Spanish participants suggested some alternatives, with some preferring *pago integro* and others preferring *pago final pactado*. These terms loosely translate to “final payment” which, in the English disclosure, was the term used in the *Projected Payments* for loans with a balloon payment that was the final payment of the loan. The term *pactado* added the sense of a payment that was “agreed upon” previously.

“ [Pago final pactado] the final home payment. The final payment at the end of the 30 years that would pay off the house completely. It is the last payment to finish paying off the home. [I prefer the term] pago final. (VA-004 Spanish Experienced)

I think that [pago final pactado] is the amount of the loan. The amount of the loan...No, [cuota extra final] that doesn't sound like [a final amount of the loan]...I would say pago final o al cierre [final payment or at closing] or pago final programado [scheduled final payment]. (VA-007 Spanish Inexperienced)

[Pago final pactado] would be the final payment on the last month of the loan. Is that what it means? That's what I understand by it, but I am not sure if that is right. Perhaps it is an additional payment at the end. By pago integro, I would summarize it as – if I want to finish paying for the house right now and cancel my mortgage loan, that's what I would have to pay...I think that people might not recognize these words [pago final pactado and pactado programado] very well. (VA-003 Spanish Experienced)

Pago final pactado would be the final payment. For cuota extra final, it doesn't make any sense. I don't understand. Perhaps if the taxes go up...Pago integro [is] the total payment...of the loan. It could be the final payment of the loan or the final payment of everything that goes into the monthly payment [and I would make this payment] at the end of the loan...[I would prefer the term] pago integro [and then] pago final pactado. (VA-006 Spanish Inexperienced)

<sup>12</sup> In English testing prior to issuing the proposal, some participants (generally inexperienced participants) had difficulty understanding the term balloon payment. For some participants, the additional text that was included in bullet points in this section of the disclosure when a loan had a balloon payment helped them understand the term. Perhaps this was because the text included a large dollar amount. For Round 2, we used a loan with a balloon payment to see if the additional text improved participants' understanding of the term.

**Recommendation: (1) Test a loan that has a balloon payment to see if the additional context helps participants understand the translation. (2) Use one Spanish term in the *Loan Terms (cuota extraordinaria)* and a different term in *Projected Payments (pago final pactado)* to be consistent with the English disclosures.**

## Escrow – Depósito de garantía

Some Spanish participants had difficulty understanding the translation for the term escrow - *depósito de garantía*. They liked the term *depósito* because they associated it with making a security deposit when signing a lease or renting an apartment. We also asked participants about the term *reserva para impuestos y seguros de la vivienda*. Participants preferred the term *reserva* to help them understand the term escrow. At least one participant suggested using the English term.

“They’re telling you that the *depósito de garantía* is going to be used towards the taxes and homeowner’s insurance...I don’t know what *depósito de garantía* means. *Reserva para impuestos y seguros de la vivienda* is clearer. (VA-007 Spanish Inexperienced)

*Reserva para impuestos y seguros de la vivienda...the reserve for taxes must be for the property, right? And the property insurance could be insurance against fires...right?...that I must have a reserve...Okay, I imagine that this is a deposit that’s left for future possibilities. Yes...reserva para impuestos y seguros de la vivienda is like an account that you have. Like a reserve, right? (VA-006 Spanish Inexperienced)*

*Reserva para impuestos y seguros de la vivienda [means] that I am going to have a reserve. That I am going to have something for taxes and property insurance...I’ve already been in this country for 5 years. If you would have asked me 4 years ago, I would have told you that I prefer *reserva para impuestos y seguros de la vivienda*. But, currently, everyone uses the word *depósito* like the word *reserve*. If you say *reserva*, everyone’s going to get confused. There are different lexicons that are very generalized here. Therefore, I think that *depósito* is okay to refer to escrow as it is written on the disclosure. (VA-003 Spanish Experienced)*

*I am a little confused because I am not sure how to translate it into English, but this *depósito de garantía estimado*...Yes...it’s a warranty deposit...but I don’t remember ever paying that. I don’t know. Do you think that is an escrow account?...Perhaps that is a deposit...but if so, if indeed it is an escrow account, then I can understand it. Escrow is like an account that the bank or the lender administers so that the money you pay every month, in which you are paying principal and interest, they are also making sure that you are paying for property taxes and insurance. So, they administer this money and when it has to be paid, they are in charge of sending a check to the agency. That is an escrow account, basically. But, this is optional. Yes, it is optional to everyone. You can do it on your own, or you can let your lender take care of it. I’m not really sure if there is a charge to administer the account. It depends, I suppose. (VA-002 Spanish Experienced)*

*I suppose that depósito de garantía is the warranty for the deposit of the money. It is the warranty that you have to pay for the closing. Meaning – a warranty. [On the other hand, reserva para impuestos y seguros de la vivienda, means]...taxes that have to be paid every year for the home. That's every year or every 6 months. It includes it in that amount and you have to pay it, I believe, every 6 months or every year. Yes, it is a reserve. (VA-004 Spanish Experienced)*

*Escrow is how we refer to a deposit in Peru. Of course, I recognize it because I read it in the newspaper and all that. Yes, but I also know that escrow means deposit. [To explain this term to a Latin person] reservas would be better [than] depósito. (VA-006 Spanish Inexperienced)*

**Recommendation: Test *reserva para impuestos y seguros de la vivienda* and the term *escrow* used on the English disclosures.**

### Origination Charges – *Gastos por tramitación*

Participants may have misinterpreted the term – *Origination Charges - Gastos por tramitación*. Although participants talked about general “paperwork,” it was unclear if they understood that origination charges may be for more than document preparation, such as points and underwriting.

*Yes, these are the details for the closing costs. This one here — gastos por tramitación. That's for the paperwork right? Yes, the paperwork for \$2,850...gastos por tramitación...I imagine that is for all the paperwork. (VA-004 Spanish Experienced)*

**Recommendation: Use the term *gastos por tramitación*.**

## Positive Comments about the Disclosures

The disclosures generally performed well, as they had in the English versions. The minor design changes made for the longer text inherent in a Spanish translation did not affect performance. Even with these changes, participants could identify their payment changes over time, the interest rate, and other aspects of the loan.

“ *I love this. I really like to see the projected payments. From the 1st to the 15th year, I'm going to pay \$1,409. I can quickly see that during these years, this is the amount that I am going to be paying so it gives me a good idea of how I am going to start and how I am probably going to finish. And I can clearly see by the numbers—how much my payment is going to increase by. I like that very much. (VA-008 Spanish Inexperienced)*

*This helps people like me – that perhaps we didn't get a very good explanation when purchasing a home. I bought a home like this, and they didn't explain anything to me with any kind of detail. The agent didn't explain to me things like the percentages or the interest rates. They didn't really explain what I was getting into very well. (VA-004 Spanish Experienced)*

*I like how it is an 8 by 11 page as opposed to the legal size, which is usually longer. I like that the sections were broken up and clear. The font was big enough for one to be able to read. Perhaps it would help if, on one of the pages, they have a small legend so that way they can tell you what some of the difficult terminology means. (VA-003 Spanish Experienced)*

*[It] is very understandable. It is well presented. (VA-005 Spanish Experienced)*

## Conclusion

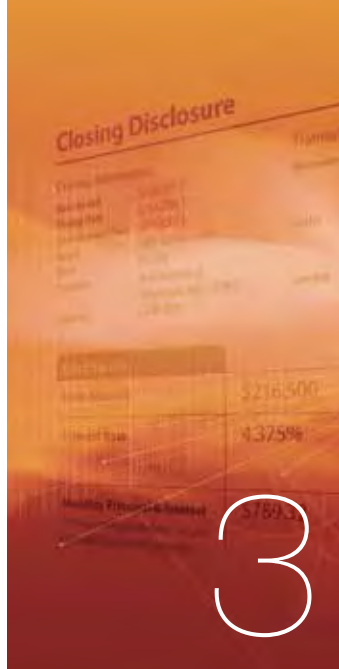
Overall, both the Loan Estimate and the Closing Disclosure worked well for Spanish participants. Spanish participants recognized important elements of the loan; they confidently compared the Loan Estimate to the Closing Disclosure using the similar designs; and they could use individual sections of the disclosures to understand key information. Participants could identify payment changes over time, the cash to close, and the closing costs, including the loan costs and other costs.

## Key Changes

Despite the fact that the disclosures, as a whole, worked well, some specific translations caused some confusion. In Round 2, we used a loan with a balloon payment and placed *cuota extraordinaria* in the *Balloon Payment* row and *pago final* in the *Projected Payments* for “final payment.” However, for the non-balloon payment loan, we kept the original term in the *Balloon Payment* row—*pago final pactado o programado/cuota extra final* to explore if participants volunteered comments or preferences. We also added the term *deudor* as a possibility for the term borrower since it was a simpler and less technical term than *fiador*, which some participants had suggested. We did not use the term *comprador* – buyer because in some situations, for example, the borrower is not buying, but is refinancing. Because some participants recognized the English term *escrow*, we decided to place it on the disclosures and show the *reserva* (reserve) alternatives during the interviews. See *Table 4. Disclosure Terms for Round 2* for targeted terms.

**TABLE 4. Disclosure Terms for Round 2**

English Terms	Round 1 Terms	Round 2 Terms
<b>Appraisal</b>	<i>Tasación</i>	<i>Valoración de la vivienda</i>
<b>Balloon Payment (in Loan Terms)</b>	<i>Pago final pactado o programado/Cuota extra final</i>	<i>Cuota extraordinaria</i>
<b>Borrower</b>	<i>Prestatario</i>	<i>Prestatario and Deudor</i>
<b>Escrow</b>	<i>Depósito de garantía estimado</i>	<i>Escrow</i>
<b>Final Payment (in Projected Payments)</b>	<i>Not used in Round 1</i>	<i>Pago final</i>
<b>Origination Charges</b>	<i>Gastos por tramitación</i>	<i>Gastos por tramitación</i>



## Round 2 – Spanish Testing in Phoenix, Arizona (November 2012)

### Introduction

For the second round of Spanish qualitative testing, we conducted cognitive and usability testing in Phoenix, Arizona in November 2012. We tested the changes to the disclosures made after the first round of Spanish qualitative testing.

### Research Goals

The overall goal was again to determine if the translation of the English disclosures to Spanish were accurate and free of confusing terms and concepts. We wanted to ensure that the disclosures had plain language reasonably accessible to different dialects spoken in the U.S. Although we noted how well participants could use the disclosures, our main focus was whether the changes made from the initial round of testing performed well with participants with different demographics.

### Who We Tested

Participants spoke Spanish as their primary language and all identified themselves of Mexican heritage. With that as a constant, they represented a range of demographics, such as age, education, income, and experience with mortgage loans. In this round, we recruited for an overrepresentation of lower education and lower income participants. See *Appendix A. Demographic Summary*.

## Interview Structure

For Round 2 testing, we used structured, 90-minute, one-on-one interviews. Participants first received a Loan Estimate, did a think aloud, and answered comprehension questions based on the research questions. Participants then received a different Closing Disclosure, did a think aloud, and answered comprehension questions. As they proceeded, we reminded participants that the loan products were different between the Loan Estimate and Closing Disclosure. We did not ask them to compare the loan terms and costs between the Loan Estimate and the Closing Disclosure. All participants saw the same two loan products in the same order—first the Loan Estimate and then the Closing Disclosure. At points in the interview, we showed participants a list of alternate language choices and asked them to explain the reason for their preferred term. See *Appendix D. Round 2 Spanish Disclosures*.

## What We Tested—Design

For Round 2, the Loan Estimate and the Closing Disclosure were based on the disclosures from the Proposed Rule with design changes only made to accommodate the translations. We did not modify these design changes from Round 1. We used two loan types: a 30 year, Fixed Rate Loan Estimate with a Balloon Payment and a 5 year Interest Only, 5/3 Adjustable Rate Closing Disclosure.

## What We Tested—Language

Although we wanted to ensure a clear overall translation, we focused on specific language options based on the results of Round 1 testing. See *Table 5. Disclosure Terms for Rounds 1 and 2* for the targeted terms.

**TABLE 5. Disclosure Terms for Rounds 1 and 2**

English Terms	Round 1 Terms	Round 2 Terms
<b>Appraisal</b>	<i>Tasación</i>	<i>Valoración de la vivienda</i>
<b>Balloon Payment (in Loan Terms)</b>	<i>Pago final pactado o programado/ Cuota extra final</i>	<i>Cuota extraordinaria</i>
<b>Borrower</b>	<i>Prestatario</i>	<i>Prestatario and Deudor</i>
<b>Escrow</b>	<i>Depósito de garantía estimado</i>	<i>Escrow</i>
<b>Final Payment (in Projected Payments)</b>	<i>Not used in Round 1</i>	<i>Pago final</i>
<b>Origination Charges</b>	<i>Gastos por tramitación</i>	<i>Gastos por tramitación</i>



## Translation Findings

In general, the Spanish translation of the disclosures performed well. Participants continued to have some difficulties with the terms for *Balloon Payment* and *Escrow*. Participants more clearly understood *Origination Charges*.

### Appraisal – *Valoración de la vivienda*

We translated appraisal as *valoración de la vivienda*. However, we showed participants two other alternatives: *avaluó de la vivienda* and *tasación de la vivienda*. Most participants understood both *valoración de la vivienda* and *avaluó de la vivienda*. A few participants understood only the phrase *avaluó de la vivienda*.

“ Valoración de la vivienda [is] when they have an inspection of the house and give a value. It is an evaluation of the house...valoración de la vivienda is the most clear. Or avaluó. Either of those two is understandable. (AZ-006 Spanish Inexperienced)

**Recommendation:** Change the term *valoración de la vivienda* to *avaluó de la vivienda*.

### Balloon Payment – *Cuota extraordinaria* and Final Payment – *Pago final*

In this round, Spanish participants viewed loans with a balloon payment that included a large final payment of the loan. Many of the Spanish-speaking participants struggled to understand the industry-specific term *balloon payment*. Because the term does not have an equivalent in Spanish, we tried to identify a Spanish term that would signal that this payment was different from the regular monthly payment. We decided on the term *cuota extraordinaria*. In this round, because the loan included a balloon payment, the disclosures also provided additional information about the amount of the larger payment and specified when it was due. In *Projected Payments*, the text below the final column heading - *pago final* - showed the amount of the final balloon payment. Our testing explored whether participants could better understand the concept of the industry-specific term with more context.

In *Loan Terms*, *cuota extraordinaria* seemed to signal to participants that something was happening to the payments, even if they did not have a precise understanding. With the addition of *pago final*, participants talked about the consequences of a large final payment. Thus, when these participants said that they would have to refinance or “start over” or that they would lose the house because they could not afford a payment of that size, they appeared to understand the concept. However, others talked about “accumulated payments” or gave details about amounts which suggested that the concept eluded them. A few participants suggested adding the term *pactado* to the *pago final* column header. The term *pactado* implies “agreed upon.” They also suggested adding a time frame for the final payment.

“ Because after the 7 years, I am going to have to start with the same loan again, and that’s not good from what I see here. (AZ-001 Spanish Experienced)

*This pago final -I understood it as if the payment should be from 1 to 7 years...the accumulated payment that I would have. (AZ-008 Spanish Inexperienced)*

*[Pago final is] What I'm going to have to pay at the end of the loan period. That is, the loan of the \$176,000 minus the \$15,000 [the Cash to Close on the form]. Then, I'm going to have to pay this amount. (AZ-006 Spanish Inexperienced)*

*Pago final is like what you're going to pay at the end. But wouldn't it be better to put: "From this moment to this moment, you are going to pay this much. So, here put from what year you're going to begin to pay this amount here." (AZ-007 Spanish Inexperienced)*

**Recommendation: Use the term *cuota extraordinaria* in Loan Terms and change *pago final* to *pago final pactado en el año 7* in Projected Payments.**

### **Borrower – Prestatario**

We continued to use generic names for the borrowers on the disclosures, as was done at the consumer testing in English before issuing the Proposed Rule. A few participants were unfamiliar with the word *prestatario* and preferred *deudor*.

“ [I understand] that the *deudor* is me. (AZ-008 Spanish Inexperienced)

*Deudor is the one who owes...because the prestamista is the one who loans the money, and the deudor is the one who owes the money. (AZ-007 Spanish Inexperienced)*

*Deudor is the person who acquires the loan. (AZ-006 Spanish Inexperienced)*

*Deudor is the one that owes the money. (AZ-002 Spanish Experienced)*

**Recommendation: Change the term *prestatario* to *deudor*.**

### **Escrow – Escrow**

For this round, we tested the English term *escrow* instead of a Spanish term. We thought it possible that *escrow* was an English term that Spanish-speaking participants were familiar with and understood, such as annual percentage rate (APR). However, these participants, even the experienced, were unfamiliar with the term. We also presented three alternative phrases: *avaluó de la vivienda*, *depósito de la vivienda*, and *reserva*. Participants were nearly evenly split on which term they understood. However, participants who understood *depósito de la vivienda* seemed to confuse it with the idea of an “initial deposit,” such as for a personal checking account. Participants better understood the term *avaluó de la vivienda*. The term *reserva* seemed to convey to participants the idea that they were putting money into an account that would be used later.

“ Escrow. I'm going to be honest. I don't know what escrow means...I always see it with my charges but I don't know exactly...when I make my house payments. That always comes with it, but I don't know what it is. (AZ-002 Spanish Experienced)

*It [Escrow] is a part of money deposited in an account to make payments to cover what they're going to charge – like a deposit for the purchase I'm doing. (AZ-005 Spanish Inexperienced)*

*It [Escrow] is a guaranty. You have to pay a guaranty...that it's there in case something happens...reserva would be better. (AZ-003 Spanish Experienced)*

*Reserva. To have a reserve for your taxes and insurance on the property. This I understand a lot better. (AZ-007 Spanish Inexperienced)*

**Recommendation: Change the English term escrow to *reserva estimada para impuestos y seguros de la vivienda*.**

### Origination Charges – *Gastos por tramitación*

The translation for *Origination Charges – Gastos por tramitación* – conveyed to participants that the charges listed in the section were for more than merely the paperwork that participants talked about in the previous round. In this round, participants talked more accurately about the administrative fees that surround the initiation of the loan.

“ *[Gastos por tramitación refers to] all of the costs for them to do the paperwork and everything that has to be done to complete the loan. (AZ-007 Spanish Inexperienced)*

*[I understand] that these are all charges of the loan – of the administration...for the paperwork and everything. (AZ-001 Spanish Inexperienced)*

*From what I see here [gastos por tramitación] is when they're doing the evaluation for the loan. (AZ-001 Spanish Experienced)*

*It is understood to be for the processing of paperwork. (AZ-006 Spanish Inexperienced)*

**Recommendation: Use the term *gastos por tramitación*.**

### Positive Comments about the Disclosures

Most participants could identify the basic loan terms, such as the loan amount, the interest rate, and the changes that could happen to their payments and interest rate. Nearly all thought the design was clear and reinforced the important and key information. Several participants also commented positively about the disclosures being in Spanish.

“ *...I can very easily say – here's your contract, here's your payments – and one can visualize during 7 years what the contract will be...but, for example, here it says that the loan amount is so much, and you are going to pay this monthly. Here...[the AIR Table] defines it better – my changes, the period that I am going to be paying, how much the increases are going to be, and any decreases, which I don't think there are any. It is a little more complete. (AZ-008 Spanish Inexperienced)*

*The design is clear, and the most important thing is that they are showing you step by step all the important points about the loan...yes, it is important [to have the disclosures in Spanish] because that happened to me with some of the terms when I was signing my contract. Later I realized that there were things I would not have agreed to had I known. (AZ-001 Spanish Experienced)*

*It is all good. I mean, it is indicating everything that you are interested in. For example, the amount, the interest...so I think the design is good. (AZ-006 Spanish Inexperienced)*

*...The font for me is perfect, and they clarify more or less the things that you are interested in knowing about loan payments, what it is going to cover, and all of that... it clarified the loan payments that you have, but it is going to increase because of your property taxes and homeowner's insurance. (AZ-004 Spanish Experienced)*

*The only comment that I have is that I like that the government pays attention to things like this for us Hispanics. I like the fact that they are doing this in our language because these are very important papers to know exactly what you are doing when you go to purchase a home. Because when you go purchase a home—when they're talking to you, you think you understand everything. However, there are a lot of things that are unclear. For example, I didn't know that there were so many charges or that interest rates change. Now I am realizing that. So, of course, all of this is important. (AZ-002 Spanish Experienced)*

## Conclusion

For most of the Arizona participants, many of them with low education levels, the disclosures helped them identify key characteristics about the loan and their payments and costs. Participants generally could identify the loan amount, the interest rate, the balloon payment, the monthly payment, the taxes and insurance costs, as well as the cash needed to close.

## Key Changes

Even if they could locate the terms, participants struggled with some basic concepts behind the loan. Perhaps these issues emerged because this group of participants had particularly low levels of education. Two participants identified their education as only "primary." Similarly, even the experienced participants may have had limited understanding of mortgage loans, perhaps because they used English disclosures in the past. See *Table 6. Disclosure Terms for Rounds 1, 2, and 3* for targeted terms.

TABLE 6. Disclosure Terms for Rounds 1, 2, and 3

English Terms	Round 1 Terms	Round 2 Terms	Round 3 Terms
<b>Appraisal</b>	<i>Tasación</i>	<i>Valoración de la vivienda</i>	<i>Avaluó de la vivienda</i>
<b>Balloon Payment (in Loan Terms)</b>	<i>Pago final pactado o programado/Cuota extra final</i>	<i>Cuota extraordinaria</i>	<i>Cuota extraordinaria</i>
<b>Borrower</b>	<i>Prestatario</i>	<i>Prestatario and Deudor</i>	<i>Deudor</i>
<b>Escrow</b>	<i>Depósito de garantía estimado</i>	<i>Escrow</i>	<i>Reserva estimada para impuestos y seguros de la vivienda</i>
<b>Final Payment (in Projected Payments)</b>	<i>Not used in Round 1</i>	<i>Pago final</i>	<i>Pago final pactado en el año 7</i>
<b>Origination Charges</b>	<i>Gastos por tramitación</i>	<i>Gastos por tramitacion</i>	<i>Gastos por tramitación</i>





## Round 3 – Spanish Testing in Miami, Florida (December 2012)

### Introduction

For the third round of Spanish qualitative testing, we conducted cognitive and usability testing on the Spanish translations of the Loan Estimate and Closing Disclosure in Miami, Florida in December 2012. We tested the changes we made to the disclosures after Round 2 of testing in Phoenix, Arizona.

### Research Goals

As with the previous rounds of testing, the overall goal of this testing was to determine if the Spanish translations of the English disclosures were accurate and free of confusing terms and concepts. We wanted to ensure that the disclosures had plain language reasonably accessible to the different dialects spoken in the U.S. Although we noted how well participants could use the disclosures, our main focus was whether the changes from the second round of testing performed well with participants with different demographics.

### Who We Tested

Participants spoke Spanish as their primary language and identified themselves from different countries, including Central or South American countries, Puerto Rico, Cuba, or other Latin American countries. They represented a range of demographics, such as age, education, income, and experience with mortgage loans, although their level of education was higher than previous participants. See *Appendix A. Demographic Summary*.

## Interview Structure

For Round 3 testing, we used structured 90-minute, one-on-one interviews. Participants first received a Loan Estimate, did a think aloud, and answered comprehension questions based on the research questions. Participants then received the matching Closing Disclosure, did a think aloud, and answered comprehension questions. Finally, we gave them a different Loan Estimate with a balloon payment, to test the translation for a loan with a balloon payment. At points in the interview, we showed participants alternate language choices separately and asked them to explain the reason for their preferred terms. All participants saw the disclosures in the same order – the Loan Estimate and the matching Closing Disclosure, and then the Loan Estimate with a balloon payment. See *Appendix E. Round 3 Spanish Disclosures*.

## What We Tested—Design

For Round 3, the Loan Estimate and the Closing Disclosure used for testing were based on the disclosures from the Proposed Rule with the same changes to the design made only to accommodate the translations described in Chapter 2. We did not modify these design changes from Round 1. Participants received a Loan Estimate and the Closing Disclosure for a 5-Year Interest Only, 5/3 Adjustable Rate loan and received a separate Loan Estimate with a balloon payment.

## What We Tested—Language

Although we wanted to ensure a clear overall translation, we focused on specific language options based on the results of Round 2 testing. See *Table 7. Disclosure Terms for Rounds 1, 2, and 3*.

**TABLE 7. Disclosure Terms for Rounds 1, 2, and 3**

English Terms	Round 1 Terms	Round 2 Terms	Round 3 Terms
<b>Appraisal</b>	<i>Tasación</i>	<i>Valoración de la vivienda</i>	<i>Avaluó de la vivienda</i>
<b>Balloon payment (in Loan Terms)</b>	<i>Pago final pactado o programado/Cuota extra final</i>	<i>Cuota extraordinaria</i>	<i>Cuota extraordinaria</i>
<b>Borrower</b>	<i>Prestatario</i>	<i>Prestatario and Deudor</i>	<i>Deudor</i>
<b>Escrow</b>	<i>Depósito de garantía estimado</i>	<i>Escrow</i>	<i>Reserva estimada para impuestos y seguros de la vivienda</i>
<b>Final Payment (in Projected Payments)</b>	<i>Not used in Round 1</i>	<i>Pago final</i>	<i>Pago final pactado en el año 7</i>
<b>Origination Charges</b>	<i>Gastos por tramitación</i>	<i>Gastos por tramitación</i>	<i>Gastos por tramitación</i>



## Translation Findings

In Round 3, we found that while participants often could understand a term used, they stated that an alternative might be more familiar. In addition, as we had seen in other Spanish rounds, some participants had difficulty with certain concepts, such as escrow or balloon payment. The demographics of this group included participants with higher education levels than the participants in Arizona. We sometimes recommended the Round 2 terms that performed well, if the participants in this round could also understand the alternatives from Round 2.

### Appraisal – *Avaluó de la vivienda*

In Miami, we tested *avaluó de la vivienda* and showed participants alternatives, including *valoración de la vivienda* and *tasación de la vivienda*. Although many participants understood *avaluó de la vivienda*, they also understood *valoración de la vivienda* or *tasación de la vivienda*. Some participants did not understand the term *avaluó* and others suggested changing *avaluó* to *aval*, *evaluación*, or *valorización*.

“ *[Avaluó de la vivienda means that] an expert arrives to this property and says how much it costs. He takes into consideration a lot of things including the area where the property is, the commercial area, if it is very centrally located, if it is very urban, even how much time it can take to move from here to [the] closest shopping center. Nature is also a factor – if it is well protected from hurricanes, if it is on a fault line, or perhaps tornadoes in the area like the center of the country. It depends where the property is. (FL-002 Spanish Inexperienced)*

*[I understand avaluó de la vivienda as] meaning what it is evaluated at – what the value of the place can be. [I would not use tasación]. For me, it seems that avaluó is like very general. It is a word that to me is very general. [Valoración de la vivienda] seems much better to me. I would suggest valoración del lugar, although both mean the same. But for me valorar sounds better... meaning the total price of what the place may be worth. (FL-006 Spanish Inexperienced)*

*[Avaluó de la vivienda means] a review or research that the bank does to find the conditions which have depreciated or damaged the home, or also if it has gained value. Avaluó or valorización de la vivienda [is most suitable for me]. But, I like avaluó more. This is more the banking language of my country. [Valoración de la vivienda] is what I had been thinking...because it is a very common word. I think that valoración is clear. (FL-007 Spanish Experienced)*

**Recommendation: Change the term *avaluó de la vivienda* to *valoración de la vivienda* from Round 1.**

### Balloon Payment – *Cuota extraordinaria* and Final Payment – *Pago final pactado en el año 7*

In this round, Spanish participants again viewed a Loan Estimate with a balloon payment. Two parts of the disclosure need translations for balloon payment. First, the row in *Loan Terms* refers

to a *Balloon Payment - cuota extraordinaria*. Second, in *Projected Payments*, the final column shows the amount due for the balloon payment. The heading for that column was *pago final pactado en el año 7*. Despite having slightly higher education levels, many participants continued to have difficulty understanding the concept of a balloon payment. In addition, participants found the term *pago final pactado en el año 7 - final agreed upon payment in year 7* confusing. Some participants mistakenly believed the final payment to be the cumulative amount paid by them on the loan at the end of 7 years, perhaps because of the phrasing *en el año 7 (in year 7)*.

To keep the Spanish disclosures consistent with the English disclosures, we chose to use two different terms in the two sections related to balloon payments. In *Loan Terms*, we used the term *cuota extraordinaria* as there was no direct Spanish translation for the industry-specific term balloon payment. In *Projected Payments*, we used the term *pago final pactado - Final Payment*. Most participants understood the translation, but only a few understood the concept. However, the removal of the phrase *en el año 7* may make the term clearer since adding *pactado* to *pago final* did help some participants.

“ [I would understand] a *pago final pactado*. Yes. *That’s good.* (FL-006 Spanish Inexperienced)

[*Pago final pactado*] is what you are going to pay at the end of 7 years. It is the sum of everything you’re going to pay in 7 years. (FL-001 Spanish Inexperienced)

[*Pago final pactado*] - that’s what you’re going to end up paying at the end of the 7th year, including principal and interest...this is what it is going to end up accumulating to in the 7th year. I’m going to be paying \$1,376 per month and at the end of the 7th year, I’m going to know what I have accumulated. It could be an estimate. [The *pago final pactado* in year 7] is \$154,616. (FL-002 Spanish Inexperienced)

*Pago final* [is the word I would use]. For me there is no other word – just *pago final*. [Pactado] can work if you know that it is the final payment. (FL-007 Spanish Experienced)

**Recommendation: Use *cuota extraordinaria* in *Loan Terms* and *pago final pactado*, but remove the time frame “*en al año 7*” in *Projected Payments*.**

### **Borrower – *Deudor***

In this round, most participants understood the term *deudor* to mean the borrower, or the person who owes or is responsible for the loan. Many participants said that *deudor* was clearer than *prestamista*, which we tested in previous rounds.

“ *Deudor is the one who owes.* (FL-001 Spanish Inexperienced)

[*Deudor means*] the one that owes. It is clear; it is referring to a debt. (FL-005 Spanish Inexperienced)

[*Deudor means to*] me – the person who owes the bank. [*Deudor is*] good. It is understandable. (FL-007 Spanish Experienced)

**Recommendation: Use the term *deudor*.**

## Escrow – Reserva estimada para impuestos y seguros de la vivienda

In addition to the term on the disclosure - *reserva estimada para impuestos y seguros de la vivienda*, we also tested two alternate terms: *depósito para impuestos y seguros de la vivienda* and *un escrow para impuestos y seguros de la vivienda*. Participants understood the three terms; however, their first preference was for *depósito*, followed by *reserva* and *escrow*, respectively.

“ [Reserva estimada para impuestos y seguros de la vivienda] is to have a “safe,” an account that is just for that. (FL-001 Spanish Inexperienced)

*I think...depósito...sounds better. (FL-005 Spanish Inexperienced)*

*[I prefer] depósito. (FL-006 Spanish Inexperienced)*

*[Reserva estimada para impuestos y seguros de la vivienda] is the estimated reserve for the taxes and insurance. [I prefer] depósito. (FL-007 Spanish Experienced)*

**Recommendation: Change *reserva estimada para impuestos y seguros de la vivienda* to *depósito para impuestos y seguros de la vivienda*.**

## Origination Charges – Gastos por tramitación

The translation for *Origination Charges – Gastos por tramitación* – correctly conveyed the larger idea of administrative fees, rather than merely paperwork, that are charged for the loan origination.

“ It must be the first expenses. The first expenses that one has to make. (FL-001 Spanish Inexperienced)

*Those could be the administrative costs that are incurred for executing the loan. (FL-002 Spanish Inexperienced)*

**Recommendation: Use the term *gastos por tramitación*.**

## Positive Comments about the Disclosures

Most participants could identify the key parts about the loan terms including the loan amount and interest rate. Many of the inexperienced participants said that the design made key points easier to notice and emphasized important information. Several participants also commented positively about the disclosures being in Spanish.

“ [The disclosure is] highlighting the options that are being presented. So you know what you’re signing, what you’re committing to. (FL-002 Spanish Inexperienced)

*...Things are not stuck together and have their spaces...[I would rate this disclosure a 5 – being the best disclosure I’ve ever seen] because the one they gave me, it was a very long page. It was two columns like this and everything was bunched up on top of one another. (FL-003 Spanish Experienced)*

*You know what I like about this document...that after it gives me all the information, there is an additional page where they talk about all the different charges or adjustments, in case I have questions. To be honest, this has been interesting...for people like me who have not done a loan or refinanced, I find it interesting to know all of the types of costs...to know what they can charge and all that is involved in a loan. The way that they're presenting it is very good because they explain everything to you step by step, and they take you through different tables...when it is in English, for people who don't understand English well, one can sign things that you honestly don't understand and you don't know what they are giving. Because of ignorance, one can make errors. But now with this in Spanish, one won't make mistakes. (FL-006 Spanish Inexperienced)*

*[I like that in the Loan Terms section] they provide you with the questions that come to mind when looking at the document, like for example, "Can this loan increase?" Next to it, it says "No" or "Yes," depending on the situation. I think that it contains quite a bit of information and it is very well organized. But, I would have to spend some time looking at the document and reviewing all of the information to make sure that I completely understand before making a decision. (FL-008 Spanish Inexperienced)*

## Conclusion

For most participants, the disclosures helped them identify key characteristics about the loan and their payments and costs. Participants could identify the loan amount, the interest rate, the balloon payment, the monthly payment, and the taxes and insurance costs, as well as the cash needed to close.

## Final Changes

Most participants struggled with the concept of the final payment for a balloon payment. They often thought the term referred to the total of the payments made over the previous 7 years. As a result, to mirror the English, we kept one phrase—*cuota extraordinaria*—for the term balloon payment in *Loan Terms* to signal that the payment was different from the typical monthly payment. We used a second phrase—*pago final pactado*—for the final payment, which will be in the final column in the *Projected Payments* table. In addition, we changed the term in the *Loan Product*, to *Año 7 cuota extraordinaria, tasa fija*, so that the *Loan Product* matched the balloon payment term. These three decisions reflect the testing results, as well as consistency with the English disclosures. In general, we weighed the education and experience levels of participants in the first three rounds of testing to decide on final recommendations for the translations. See *Table 8. Disclosure Terms for Rounds 1, 2, and 3 and Final Recommendations*.

**TABLE 8. Disclosure Terms for Rounds 1, 2, and 3 and Final Recommendations**

English Terms	Round 1 Terms	Round 2 Terms	Round 3 Terms	Final Recommendations
<b>Appraisal</b>	<i>Tasación</i>	<i>Valoración de la vivienda</i>	<i>Avaluó de la vivienda</i>	<i>Valoración de la vivienda</i>
<b>Balloon Payment (in Loan Terms)</b>	<i>Pago final pactado o programado/ Cuota extra final</i>	<i>Cuota extraordinaria</i>	<i>Cuota extraordinaria</i>	<i>Cuota extraordinaria</i>
<b>Borrower</b>	<i>Prestatario</i>	<i>Prestatario, Deudor</i>	<i>Deudor</i>	<i>Deudor</i>
<b>Escrow</b>	<i>Depósito de garantía estimado</i>	<i>Escrow</i>	<i>Reserva estimada para impuestos y seguros de la vivienda</i>	<i>Depósito para impuestos y seguros de la vivienda</i>
<b>Final Payment (in Projected Payments)</b>	Not used in Round 1	<i>Pago final</i>	<i>Pago final pactado en el año 7</i>	<i>Pago final pactado</i>
<b>Loan Product</b>	N/A	N/A	N/A	<i>Año 7 cuota extraordinaria, tasa fija</i>
<b>Origination Charges</b>	<i>Gastos por tramitación</i>	<i>Gastos por tramitación</i>	<i>Gastos por tramitación</i>	<i>Gastos por tramitación</i>

## Part II. Refinance Transactions and Closing Costs

Three issues emerged from the public comments after the Proposed Rule that resulted in the CFPB team making changes to the proposed disclosures and undertaking additional testing. In addition, one of the results from the Quantitative Study underscored the need to address revisions to the emphasis on closing costs in purchase and refinance transactions.

- *Cash to Close* in refinance transactions
- *Partial Payments* in Closing Disclosures
- *Closing Costs* in refinance and purchase transactions

### Cash to Close for Refinance Transactions

Consumers refinance for many reasons. Many consumers refinance to reduce the loan's interest rate. Others may want to consolidate debt or to use their equity in the home to obtain cash. Because a refinance transaction involves only a lender and the borrower, with no seller represented, the design of the proposed disclosures overall reflected a number of standard changes: (1) Loan Estimate and Closing Disclosure, page 1, use *Refinance* as the *Purpose* of the loan; (2) Closing Disclosure, page 2, *Closing Details* show only *Borrower Paid* and *Paid by Others* details; and (3) Closing Disclosure, page 3, *Disbursements to Others* replaces the *Summaries of Transactions*.

After reviewing the public comments on the Proposed Rule, the CFPB was concerned that the calculation of cash to close would be difficult for consumers to understand. The proposed disclosures used a negative number to show cash back and the CFPB decided to evaluate revisions that would be understandable to consumers. For these testing sessions, we focused on the following research questions:

- Can consumers identify the amount of cash they need at closing or the amount of money they get back?
- Can consumers identify what distributions, if any, are made from the loan amount?
- Can consumers identify any changes between the Loan Estimate and the Closing Disclosure?
- Can consumers explain the reason for any changes?

### Partial Payments in Closing Disclosures

During the comment period, the CFPB team received comments that lenders found the language and format of the *Partial Payments* section difficult for disclosing their current practices. In response, the CFPB team deleted the fill-in text and replaced it with checkboxes and language that would generally discuss how lenders treat partial payments. The results during consumer testing identified additional changes that would improve the language and design.

## Closing Costs

During the comment period, the CFPB received comments expressing concern about the low emphasis on *Closing Costs* in the *Cash to Close* section of the Loan Estimate and the Closing Disclosure. While testing the Spanish versions in Baltimore, we also reviewed results from the Quantitative Study, Phase 2 of the Mortgage Disclosure Project which reinforced the need to modify this section. In one question (Question 16), the current disclosure had outperformed the proposed disclosure by over 39 percentage points. Question 16 asked respondents for the proposed Loan Estimate: “How much are your estimated closing costs?” In the design of the GFE, *Summary of your settlement charges* was a prominent heading on page 1, but the cash to close amount was not included on the current Good Faith Estimate (GFE). In contrast, the design of the proposed Loan Estimate deliberately placed *Estimated Cash to Close* in a prominent heading. *Closing Costs* are present, but de-emphasized by being placed in a smaller font to the right of the *Estimated Cash to Close* amount. The concept of closing costs/settlement charges is important, and the CFPB team wanted to include a question about it in the Quantitative Study. However, because the *Cash to Close* amount was not on the GFE, the CFPB team chose to ask a question about closing costs/settlement charges, rather than about the cash needed to close.

The CFPB team anticipated that participants who worked with the GFE might perform somewhat better than those with the Loan Estimate, but did not anticipate the difference to be better at a statistically significant level.<sup>13</sup> In addition, the CFPB had analyzed public comments to the Proposed Rule that raised concerns with the low emphasis on the *Cash to Close* on page 1 of the Loan Estimate. As a result, the CFPB team attending the Baltimore Spanish testing discussed ways to place greater emphasis on the *Closing Costs* so that the figure would be more readily visible to consumers. We modified the design by changing the *Cash to Close* table to read *Costs at Closing* and used two rows in the table to separate the *Closing Costs* and the *Cash to Close* amounts. We tested the modifications in Baltimore, Maryland for refinance transactions and in Richmond, Virginia for both purchase and refinance transactions.

<sup>13</sup> See Kleimann Communication Group, November 20, 2013, *Quantitative Study*, Chapter 6, p.73.







## Chapter 5. Round 4 – Refinance Testing in Bethesda, Maryland (June 2013)

### Introduction

For this first round of refinance testing, we conducted cognitive and usability testing on the disclosures from the Proposed Rule and the disclosures revised by the CFPB team in Bethesda, Maryland in June 2013.

### What We Tested — Design

We tested two designs of the Loan Estimates and Closing Disclosures for refinance transactions: (1) the disclosures that the CFPB included in the Proposed Rule and (2) the disclosures the CFPB team revised based on public comments. Further, we tested revisions to the *Partial Payments* section in response to comments received during the public comment period.

### Design 1-Proposed. Disclosures from the Proposed Rule

The Loan Estimate and Closing Disclosure in the Proposed Rule included the following three characteristics:

- Loan Estimate and Closing Disclosure, page 1, *Cash to Close* row shows cash to the borrower by using a negative number.
- Loan Estimate, page 2, *Calculating Cash to Close* table shows cash to the borrower by using a negative number.
- Closing Disclosure, page 3, *Calculating Cash to Close* table shows cash to the borrower by using a negative number.

## Design 2-Revised. Revised Disclosures based on Public Comments

Public comments raised concerns about the use of a negative number to show the amount a consumer would receive at the end of the transaction. Some commenters believed that consumers would not understand the negative number. In response to these comments, the CFPB team made the following revisions:

- Loan Estimate and Closing Disclosure, page 1, *Cash to Close*. If cash is owed to the borrower, the cash to close number is \$0. If the borrower needs cash to close, it is shown as a positive number, as is true in the Loan Estimate for a purchase transaction.
- Loan Estimate, page 2, *Calculating Cash to Close*. The table is simplified to show the *Loan Amount*, the *Estimated Closing Costs*, the *Estimated Payoffs and Payments*, and a row that identifies the amount of cash due and uses checkboxes to indicate if the amount is “To” or “From” the borrower. This table was designed to be similar to the calculation on the current HUD-1A settlement statement, which is the optional version of the HUD-1 settlement statement for refinance transactions designed by HUD. The order reflected the way consumers might think about the transaction, starting with the loan amount.
- Closing Disclosure, page 3, *Calculating Cash to Close*. The table is simplified as on the Loan Estimate and designed to match the table on the Loan Estimate. It shows the *Loan Amount*, the *Total Closing Costs*, the *Closing Costs Paid Before Closing*, the *Payoffs and Payments*, and a final row that identifies the amount of cash due and uses checkboxes to indicate if the amount is “To” or “From” the borrower.
- Closing Disclosure, page 3, *Section K, Payoffs and Payments*, replaces the *Disbursements to Others*, to use a term that may be more understandable to consumers.

## Partial Payments

During the public comment period, the CFPB team received comments that lenders found the language and format of the *Partial Payments* section difficult for disclosing their current practices. In response, the CFPB team deleted the fill-in text and replaced it with checkboxes and language that would generally discuss how lenders treat partial payments. Participants during testing identified other changes to the language and design.

## Research Goals

The testing goal was to identify whether Design 1-Proposed or Design 2-Revised performed better. In addition, we tested the partial payments language. See *Table 9. Disclosure Sections Tested*.

**TABLE 9. Disclosure Sections Tested**

Disclosure	Section
Loan Estimate	page 1, <i>Cash to Close</i> row
	page 2, <i>Calculating Cash to Close</i> table
Closing Disclosure	page 1, <i>Cash to Close</i> row
	page 3, <i>Calculating Cash to Close</i> table
	page 3, <i>Section K, Disbursements to Others/Payoffs and Payments</i>
	page 4, <i>Partial Payments</i>

Our research questions were equally targeted:

- In the *Cash to Close* row on page 1, could participants better understand the negative number in Design 1-Proposed or the \$0 in Design 2-Revised?
- In either design, could participants understand when they were getting cash and when they needed additional cash to close?
- Could participants understand the calculation for the cash back or for the additional cash to close?
- Could participants understand other differences between the Loan Estimate and the Closing Disclosure?
- Could participants understand the *Partial Payments* language?

## Interview Structure

To diagnose comprehension, we used structured 90-minute, one-on-one interviews.

For Round 4 testing, we used both Design 1-Proposed and Design 2-Revised. Within each design, we used two different Loan Estimates and two different Closing Disclosures. We rotated which design and disclosure participants used. Participants saw the loan products in the same order – two Loan Estimates to compare and then the matching Closing Disclosure for the Loan Estimate that we preselected. For example, some participants saw an Aspen Bank and Balsam Bank Loan Estimate and then either an Aspen Bank or Balsam Bank Closing Disclosure. See *Appendix D. Round 4. Refinance Disclosures*.

For each interview, participants first did a think aloud to compare the two different Loan Estimates and then chose one of the two Loan Estimates as the loan they would prefer. They then answered comprehension questions on only one of the two Loan Estimates. Finally, participants did a think aloud with the matching Closing Disclosure for the Loan Estimate they had used and answered comprehension questions about the Closing Disclosure.

## Who We Tested

The participants represented a range of demographics, such as age, education, income, and experience with refinancing. See *Appendix B. Demographic Summary*.

## What We Tested—Design for Partial Payments

Based on Day 1 testing, many participants struggled to understand the revised language and format and whether the lender would or would not allow for partial payments. The two checkboxes with separate statements about partial payments implied that there were only two options. See *Figure 1. Option 1*. However, the text of the second bullet began with a definitive statement (“does not accept partial payments”), followed by a conditional statement (“and may hold them in a separate account”).

To test whether a change would make the partial payments policy clearer, on Day 2 of testing we gave participants two additional options. One option stacked three checkboxes. See *Figure 1. Option 2*. The other option separated the information, but embedded it in a paragraph. See *Figure 1. Option 3*. We provided the Options 2 and 3 on a separate piece of paper and asked participants which one was clearer. See *Figure 1. Partial Payments Options*.

**FIGURE 1. Partial Payments Options**

### OPTION 1

#### Partial Payments

Your lender

- may accept payments that are less than the full amount due (partial payments), which would be applied to your loan
- does not accept partial payments or may hold them in a separate account. If you pay the rest of the payment held, your lender may apply the full payment to your loan

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

### OPTION 2

#### 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 partial payments

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

### OPTION 3

#### Partial Payments

Your lender  may accept payments that are less than the full amount due (partial payments) and then 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; or  does not accept any partial payments.

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

### What We Tested—Loan Type

We tested four sets of refinance Loan Estimates and Closing Disclosures based on a conventional, 30 year Fixed Rate loan:

- Design 1-Proposed: Aspen Bank and Balsam Bank
- Design 2-Revised: Ficus Bank and Fir Bank

See *Table 10. Characteristics of Loans*.

**TABLE 10. Characteristics of Loans**

Design 1-Proposed		Design 2-Revised	
Name of Loan Originator	Loan Features	Name of Loan Originator	Loan Features
<b>Aspen Bank Loan Estimate</b>	30 year Fixed Rate Refinance Interest Rate: 4.25% Closing Costs: \$5,099 Cash TO Borrower: \$24,901	<b>Ficus Bank Loan Estimate</b>	30 year Fixed Rate Refinance Interest Rate: 4.25% Closing Costs: \$5,099 Cash TO Borrower: \$24,901
<b>Aspen Bank Closing Disclosure</b>	30 year Fixed Rate Refinance Interest Rate: 4.25% Closing Costs: \$5,757.57 Cash TO Borrower: \$29,677.43	<b>Ficus Bank Closing Disclosure</b>	30 year Fixed Rate Refinance Interest Rate: 4.25% Closing Costs: \$5,757.57 Cash TO Borrower: \$29,677.43
<b>Balsam Bank Loan Estimate</b>	30 year Fixed Rate Refinance Interest Rate: 4.125% Closing Costs: \$5,691 Cash TO Borrower: \$24,309	<b>Fir Bank Loan Estimate</b>	30 year Fixed Rate Refinance Interest Rate: 4.125% Closing Costs: \$5,691 Cash TO Borrower: \$24,309
<b>Balsam Bank Closing Disclosure</b>	30 year Fixed Rate Refinance Interest Rate: 4.125% Closing Costs: \$6,156.60 Cash FROM Borrower: \$6,716.60	<b>Fir Bank Closing Disclosure</b>	30 year Fixed Rate Refinance Interest Rate: 4.125% Closing Costs: \$6,156.60 Cash FROM Borrower: \$6,716.60

## Findings - Loan Estimate

In the Loan Estimate, the three specific goals of this round of testing were:

- Could participants identify the amount of cash they needed at closing or the amount of money they would get back?
- Could participants understand how the distributions and disbursements were made from the loan amount?
- Did participants perform better with the negative number in Design 1-Proposed or the \$0 in Design 2-Revised?

### Design 1 and Design 2, Estimated Cash to Close, page 1

Few of the participants immediately understood that they were getting money back based on the Loan Estimate. For Design 1-Proposed, the negative number confused some participants and others misinterpreted what it meant. For Design 2-Revised, some participants did not understand why the amount listed was \$0, even if they understood that the \$0 showed that they did not need to bring money to the closing.

“Cash to Close is \$24,000 [on the Loan Estimate for Aspen Bank and my Closing Costs are] \$5,600. [Estimated Cash to Close] is \$24,000 [because] I don't know. That is really not clear to me because even when you add these, they are not adding up to \$24,000. (MD-001 English Inexperienced – Design 1-Proposed)

*That's a credit...that's money going back to the bank. (MD-002 English Inexperienced – Design 1-Proposed)*

*[Estimated Cash to Close] is not money that I am paying, it is the money that I am getting. (MD-005 English Experienced – Design 1-Proposed)*

*I really can't explain why it says zero. I am pretty sure it is not zero from what I have been looking at. I don't think it is zero. It could be that it hasn't been completely calculated yet. (MD-007 English Experienced – Design 2-Revised)*

*[Estimated Cash to Close is zero dollars] because I don't have to bring any money to the table... because you're taking it out of the loan that I'm getting. (MD-004 English Experienced – Design 2-Revised)*

### Design 1 and Design 2, Calculating Cash to Close Table, page 2

When inexperienced participants turned to the *Calculating Cash to Close* table in Design 1-Proposed, they could understand that the table was showing them a calculation but they could not follow the math involved. They may have missed seeing the initial loan amount. Sometimes they simply misinterpreted the headings. The experienced participants with Design 1-Proposed did better.

Participants using the Design 2-Revised Loan Estimate could explain the calculation more easily and with less hesitation. They could understand that the closing costs were taken from the amount that they borrowed.

“ *...There isn't anything on these papers [Loan Estimate] that keep you in check about what is going on in this process...You don't see any of those numbers on here at all, so for a minute I'm like \$24,000, where is that coming from?* (MD-001 English Inexperienced – Design 1-Proposed)

*Calculating cash to close. Loan amount of \$150,000. Total closing costs \$5,099. Estimated payoff is \$120,000. Estimated cash \$24—see?...I'm paying for my cash to close... estimated cash to the borrower is \$24,309 because I am paying for my closing costs of \$5,099.* (MD-004 English Experienced – Design 2-Revised)

*I am getting the loan for \$150,000 and the payoff amount is \$120,000. The difference is \$30,000. This is telling me that I am borrowing \$24,901 and it is going to the borrower... I am the borrower. So I am still paying something at closing because I am not getting the \$30,000 over the \$120,000 [payoff amount] at closing. I am only getting \$24,000.* (MD-007 English Experienced – Design 2-Proposed)

*I'm getting money back...it's \$24,309...so from the loan amount, they took out the closing cost, also the payoff payments, and that would be a balance of \$24,309.* (MD-008 English Experienced – Design 2-Proposed)

## Findings - Closing Disclosure

The final amounts on a Closing Disclosure often differ from the estimated amounts on the Loan Estimate—even in a refinance transaction. For this reason, two specific testing goals for the Closing Disclosure in this round were:

- Could participants identify differences in the amounts between the Loan Estimate and the Closing Disclosure?
- Could participants use the *Calculating Cash to Close* table and *Section K, Payoffs and Payments*, on page 3 to follow how the money paid out of loan proceeds affected the amount they were receiving or the amount they now owed?

For Aspen Bank and Ficus Bank, the cash to the borrower increased on their respective Closing Disclosures. For Balsam Bank and Fir Bank, although the Loan Estimates showed that the participant would receive cash at closing, the final amounts on the Closing Disclosure showed that the participant needed to pay cash at closing.

### Design 1 and Design 2, Calculating Cash to Close table and Section K, Disbursements to Others/Payoffs and Payments, page 3

**On Day 1**, many participants could not locate *Section K, Disbursements to Others/Payoffs and Payments*. When asked to find the *Section K, Disbursements to Others/Payoffs and Payments* and relate it to the *Calculating Cash to Close* table, many participants looked on previous pages. Even



when some participants could find *Section K, Disbursements to Others/Payoffs and Payments*, they had difficulty understanding how it related to the *Calculating Cash to Close* table. Several participants did not understand that the lender was paying off amounts due to third parties, including other creditors. Although *Section K, Payoffs and Payments* listed each payment, including the total of the payments, some participants did not understand how it related to the amount of money that they would receive from the lender. Some participants suggested revisions to the design.

“ Maybe it is just my lack of knowledge about what is going on here...it has paid off credit cards, it has paid off debt that the \$30,000 was for. This was paid out to pay off the existing loan and any debt, and this is what is left over. I guess. I don't really know...[it would help if] this was calculated...this is what our loan amount is, this is getting paid, this is getting paid, what all is coming out of this chunk, and then have the bottom line, this is what you can walk away with or this is how the loan ends. (MD-001 English Inexperienced – Design 1-Proposed, Day 1)

[Looking at the *Calculating Cash to Close* table the] loan amount [of] 150 did not change. [The] Total Closing Costs [section] J is \$5,691...see Total Loan Costs D and I, which I knew that when I looked at it. When I did the comparison I could see for myself what changed. Closing costs before closing, 440. You pay these before closing. Payoff then payment [of the] \$120,000 estimate, final \$151,000. See *Payoffs and Payments*. Where'd the extra thousand dollars come from? I thought I only had a 150. [It says] see *Payoffs and Payments* in K. Where's K? (MD-004 English Experienced – Design 2-Revised, Day 1)

**On Day 2**, for Design 2-Proposed, we moved *Section K, Payoffs and Payments* to the top of page 3 and placed the *Calculating Cash to Close* table below it, thus providing a more logical order to the information. The goal was to test whether changing the order affected participants' ability (1) to find *Section K, Payoffs and Payments* and (2) to identify why the cash to close amount changed from the Loan Estimate. We also showed this revision to participants who worked with Design 1-Proposed disclosures.

Nearly all participants using this altered version of Design 2-Revised could connect *Section K, Payoffs and Payments*, and the *Calculating Cash to Close* table more easily when the table was after *Section K, Payoffs and Payments*. Participants understood the *Calculating Cash to Close* numbers and where they came from more easily when *Section K, Payoffs and Payments* appeared **before** the *Calculating Cash to Close* table. Participants who viewed this altered version after working with Design 1-Proposed also expressed a preference for placing *Section K, Payoffs and Payments* **before** the *Calculating Cash to Close* table.

“ You can follow it [the calculation on the *Calculating Cash to Close* table]. You have the negative signs there and your positives. So yeah...figure out why you gained... why you are getting \$20 and a half thousand...it makes sense. (MD-007 English Experienced – Design 2-Revised, Day 2)

[*Calculating Cash to Close* table is] showing me the difference between the estimated projections and what the actual [amount] is...it tells me that I have a deficit. That's the reason why I have to come up with \$6,000. (MD-008 English Experienced – Design 2-Revised, Day 2)

*I guess I am more like I have to be very detailed...and they have to show me step-by-step every little thing...this way is much better. I'm paying \$6,000 because here I would be getting this money, and this is what I would be paying, basically, which is what is the difference between the closing costs and the \$1,000, the net total, not that I would want to pay the costs, but yes this way is better. [The other version] really confused me completely. (MD-005 English Inexperienced – Design 2-Revised, Day 2)*

## Findings - Partial Payments

**On Day 1**, the *Partial Payments* section used in the Closing Disclosure was unclear to some participants. Based on the design with two checkboxes, they expected two options. A closer reading of the second checkbox's text showed a third option embedded in the text. Many participants said the language and wording was unclear and confusing. Several participants stated that the disclosure should be clearer about whether the lender accepted partial payments rather than saying they "may" accept them. See *Figure 1. Partial Payments Options*.

“ Why would this [combined condition] be on here at all? It clearly should be one or the other. This should not be all in the same little paragraph. It would help if you just solely put in there that they will not accept partial payments, period. (MD-001 English Inexperienced – Option 1, Day 1)

*If this [original version on the disclosures] is saying he does accept it, but if you don't accept it, how can it be applied? It is like, okay, go ahead and don't pay the whole thing and then I don't and then something happens. He sells the loan to someone else because of it and it can increase and my mortgage change[s] and there goes my house. (MD-002 English Inexperienced – Option 1, Day 1)*

*I'm not supposed to do that [make Partial Payments]. You don't accept them, you just hold them in a separate account. Hold them in a separate account; I don't know what that means. If you pay the rest of the payment your lender may apply it. It doesn't say "will," it says "may" so I don't know. (MD-004 English Experienced – Option 1, Day 1)*

**On Day 2**, we tested alternative language for the *Partial Payments* section. To test the alternatives, we provided the alternative language to participants on a separate piece of paper. Most participants better understood this section when it was broken into three separate conditions with three stacked checkboxes (Option 2). See *Figure 1. Partial Payments Options*.

“ [With Option 1] you are putting two things in one check mark here. Does not accept partial payments or may hold them in a separate account. They either don't accept them or they could put them in a separate account, so you pay the rest and then apply in full. [Option 2] is much more logical, this is much more fair. (MD-005 English Experienced, Day 2)

*I would prefer [Option 2]. It makes a list [and Option 3] makes a paragraph and it could be a little bit confusing if you don't pay attention to where the sentence ends. I think that is why I would prefer [Option 2], because it separates each one of the choices that they have. (MD-006 English Experienced, Day 2)*

## Positive Comments about the Disclosures

Most participants could identify the key information. They said that the design was clear and contained the necessary information to make an informed decision about the loan. It enabled them to choose a loan or to decide whether to move forward with the loan.

“ I think this [Loan Estimate] is a lot easier to read, and it is broken down in such a way that I think it is easier to understand even though I couldn't find everything that I should have been able to find, like financing my closing. It is right there, so I should see it...I do [think I might spend the time looking at it] because this is really the gist of it, your whole paper package. This is really summed up in just a few pages, where you don't have page after page and all the small print. This is all broken down, all of it in a nutshell really right here, so I think you are right, I think this would be very advantageous for people to go over, to have this to compare, or just really absorb it a lot better because you are taking it home [where] you can absorb it a lot better. If it took me forty minutes to find every detail in here that I needed, then I would be okay with that. (MD-001 English Inexperienced)

[This Loan Estimate] is larger and it is bigger line by line [than] the actual ones that I have seen. That's what I mean by clear. That's almost like an accountant's register...anything pops out at you. How much I am borrowing, my interest rate, which is the biggest thing we are considering when we are shopping for [a] mortgage, what this is going to cost me per month, it tells me here. (MD-005 English Experienced)

## Conclusion

For most participants, the disclosures helped them identify key characteristics about the loan and the affordability issues of their payments and costs. Participants could compare the Loan Estimate and Closing Disclosure.

Design 2-Revised of the Loan Estimate and Closing Disclosure performed better for participants at indicating whether the consumer was to receive cash or pay cash at closing. The checkboxes in the *Calculating Cash to Close* table clearly marked whether they received cash, as well as if this changed between the Loan Estimate and the Closing Disclosure. As a result, we eliminated Design 1-Proposed from further testing.

Based on the results of Day 1, several design and language changes made for Day 2 helped participants better understand the disclosures. These changes included:

- moving Section K, *Payoffs and Payments* before the *Calculating Cash to Close* table; and
- revising the language and design options for the *Partial Payments* section.

## Key Changes for Refinance Transactions

Based on the results of this round of testing, we made changes to the revised Loan Estimate and Closing Disclosure. See *Table 11. Changes Made to Refinance Disclosure Based on Round 4.*

**TABLE 11. Changes Made to Refinance Disclosure Based on Round 4**

Changes Made	Reason
<b>Loan Estimate, Cash to Close, p.1</b>	
Insert boxes in <i>Cash to Close</i> header for "To" and "From" borrower	Eliminates the need for \$0 and for negative numbers; emphasizes if borrower will receive cash back or will need to pay
<b>Loan Estimate, Calculating Cash to Close, p.2</b>	
Use revised table design instead of the proposed table	Allows calculation to begin with the <i>Loan Amount</i> so it is easier to follow the transaction
<b>Closing Disclosure, Cash to Close, p.1</b>	
Insert boxes in <i>Cash to Close</i> header for "To" and "From" borrower	Eliminates need for \$0 and for negative numbers; emphasizes if borrower will receive cash back or will need to pay
<b>Closing Disclosure, Section K, Payoffs and Payments, p.3</b>	
Move <i>Section K, Payoffs and Payments</i> to top of page 3	Gives the rationale for the <i>Calculating Cash to Close</i> table below it
<b>Calculating Cash to Close, p.3</b>	
Move <i>Calculating Cash to Close</i> table to bottom of page 3	Relates <i>Section K, Payoffs and Payments</i> to the <i>Calculating Cash to Close</i> calculation and illustrates what the table is trying to show
Move the <i>Closing Costs Financed</i> text from the column marked "Did this change?" to below the table	Attempt to give the <i>Closing Costs Financed</i> more emphasis
Change <i>Estimated Cash</i> in last row to <i>Cash to Close</i>	Create a stronger link between page 1 and page 3
<b>Closing Disclosure, Partial Payments, p.4</b>	
Replace the language used for <i>Partial Payments</i> with Option 2	Clarify the three options for <i>Partial Payments</i>



## Who We Tested

Participants spoke Spanish as their primary language and all identified themselves of Central American heritage. Participants represented a range of demographics, such as age, education, income, and experience with mortgage loans. See *Appendix B. Demographic Summary*.

## Interview Structure

To diagnose comprehension and translation issues, we used structured 60-minute, one-on-one interviews to allow for both cognitive and usability testing. We tested two sets of Loan Estimates and Closing Disclosures. For each interview, participants first did a think aloud to compare the two different Loan Estimates and then chose one of the two Loan Estimates. They then answered comprehension questions on only one of the two Loan Estimates. Finally, participants did a think aloud with the matching Closing Disclosure and answered comprehension questions. See *Appendix G. Round 5 Spanish Refinance Disclosures*.

## What We Tested—Loan Type

We tested only one design of the refinance disclosures and used two versions of the same loan. Both versions were conventional, 30 year Fixed Rate loan products with the same characteristics as we tested in the Bethesda, Maryland. See *Table 12. Loan Characteristics*.

**TABLE 12. Loan Characteristics**

Loan 1 Characteristics		Loan 2 Characteristics	
Name of Loan Originator	Loan Features	Name of Loan Originator	Loan Features
<b>Ficus Bank Loan Estimate</b>	30 year Fixed Rate Refinance Interest Rate: 4.25% Closing Costs: \$5,099 Cash TO Borrower: \$24,901	<b>Fir Bank Loan Estimate</b>	30 year Fixed Rate Refinance Interest Rate: 4.125% Closing Costs: \$5,691 Cash TO Borrower: \$24,309
<b>Ficus Bank Closing Disclosure</b>	30 year Fixed Rate Refinance Interest Rate: 4.25% Closing Costs: \$5,757.57 Cash TO Borrower: \$29,677.43	<b>Fir Bank Closing Disclosure</b>	30 year Fixed Rate Refinance Interest Rate: 4.125% Closing Costs: \$6,156.60 Cash FROM Borrower: \$6,716.60

## What We Tested—Comprehension

The testing assessed whether participants could understand the *Costs at Closing* (including whether they would receive money or owe money), *Section K, Payoffs and Payments*, and the general terms of the loan. See *Table 13. Disclosure Sections Tested*.

**TABLE 13. Disclosure Sections Tested**

Disclosure	Section
Loan Estimate	page 1, <i>Cash to Close</i> table
	page 2, <i>Calculating Cash to Close</i> table
Closing Disclosure	page 1, <i>Cash to Close</i> table
	page 3, <i>Calculating Cash to Close</i> table
	page 3, <i>Section K, Payoffs and Payments</i>

## Findings - Loan Estimate

For the Loan Estimate, the specific testing goals were:

- Could participants identify the amount of cash they needed at closing or the amount of money they would get back?
- Could participants identify the amount of closing costs?
- Could participants understand how the distributions and disbursements were made from the amount of the loan?

### Cash to Close – *Dinero en efectivo para el cierre, estimación de préstamo, page 1*

In this round, participants overall understood what the closing costs were and whether they received cash from the bank or needed to pay the bank. Participants found the checkboxes especially helpful to identify when the cash to close amount went “To” or “From” the borrower.

“ [The checkbox shows] “to the borrower” [so] it would be \$24,901, it would be for me. [Cash to Close table is] showing me that they are going to help me with all the closing costs that have to be paid. It means that \$5,099 for closing costs, plus \$3,521 for loan costs, \$2,078 for other costs, [and] \$500 for lender credits. (MD-003 Spanish Experienced - Ficus Bank)

## Calculating Cash to Close table – *Tabla calculo del dinero en efectivo para el cierre, estimación de préstamo, page 2*

Most participants understood what the *Calculating Cash to Close* table on page 2 was trying to show them. Participants could see that the table broke down the costs associated with the loan. Some participants did not understand the *Estimated Total Payoffs and Payments* row, which may be an artifact of their not recalling the testing scenario which told them that they owed \$120,000 on their current loan.

“ [The *Calculating Cash to Close* table] wants to show me the balance that will be added to my mortgage or my loan...meaning [the] Total Payoffs and Payments...what I understand is that at the end of the transaction, at the end, the whole thing will give me \$24,309. (MD-002 Spanish Experienced - Fir Bank)

I don't understand why it says the loan amount is \$150,000 and Total Payoffs and Payments would be \$120,000. That I don't understand. (MD-003 Spanish Experienced - Ficus Bank)

[The *Calculating Cash to Close* table] is basically the explanation isn't it?...on how the total loan amount would be broken down, \$150,000. It talks about the Total Closing Costs, Estimated Total Payoffs and Payments...I suppose this is the amount that is owed on the house. Then it talks about the Estimated Cash to Close to the borrower, then it talks about the Closing Costs Financed, including the Loan Amount, which is what already appears above—\$5,691. (MD-004 Spanish Experienced - Fir Bank)

## Findings - Closing Disclosure

For this testing, we focused specifically on the *Cash to Close* section on page 1 to determine if participants could identify how much cash they were getting or how much they needed at closing. Additionally, the goal was to identify if participants could use the *Calculating Cash to Close* table and *Section K, Payoffs and Payments*, on page 3 to follow how the money paid out affected the amount they were getting back or the amount they now owed. Since the Closing Disclosure often differs from the Loan Estimate, we also observed whether participants could identify differences between the two disclosures.

### Cash to Close – *Dinero en efectivo para el cierre, declaración de cierre, page 1*

As with the Loan Estimate, participants overall understood what the closing costs were. Participants again found the checkboxes especially helpful to identify when the amount listed in *Cash to Close* went to the borrower from the bank and when the borrower paid it to the bank.

“ [I am comparing to the Loan Estimate and see] that now they indicate...in the boxes...from my end I am going to give the bank \$6,716. This includes the closing costs. (MD-002 Spanish Experienced - Fir Bank)

What you can see here [in the *Cash to Close* table] is that the bank is going to write me a check [for] \$29,677.43. [The Loan Estimate] said \$24,901. (MD-003 Spanish Experienced - Ficus Bank)



## Calculating Cash to Close Table and Section K, Payoffs and Payments – *Tabla calculo del dinero en efectivo para el cierre y liquidaciones y pagos (Sección K), page 3*

Most participants understood what the *Calculating Cash to Close* table was trying to show them. Participants could see that the table broke down the costs associated with the loan. A few participants did not fully understand why the *Estimate* column and the *Final* column in the table had different amounts. Although a few participants did not understand fully, nonetheless, the information helped to activate them to ask questions.

“ *What the table is telling me is the total amount at closing, and it is doing it itemized. They are telling item by item...how is it that everything got divided.* (MD-001 Spanish Experienced - Ficus Bank)

*Well, what this shows is that...what this reflects is the real current debt [rather than an estimate], meaning the current loan amount...[In the Calculating Cash to Close table] they are already subtracting everything for closing costs, the value of the house, [and] estimated total payoffs and payments. [The columns indicate] this is an estimate [and] a final estimate. [The numbers changed because]...the bank is going to pay the debt for me.* (MD-002 Spanish Experienced - Fir Bank)

*[The Calculating Cash to Close table] is like a breakdown for how the process is taking place in regards to the loan...as a homeowner trying to refinance I would have several questions, for example...this part I don't understand – Closing Costs Paid Before Closing. The estimate says \$0 and it says \$440 in the final...the Total Payoffs and Payments, the estimate says \$120,000 and the final \$151,000. We are talking about a difference of \$31,000.* (MD-004 Spanish Experienced - Fir Bank)

## Positive Comments about the Disclosures

Many of the participants thought the disclosures provided clear and useful information that is important for consumers. A few participants commented positively about the disclosures being in Spanish.

“ *[The Spanish disclosures are] very helpful. It's the kind of thing we need. It's good, this kind of information.* (MD-002 Spanish Experienced - Fir Bank)

*I think [this document] is very clear...I did all my financing in English. It was very confusing, by the way...especially all the technical terms. [This] was a little bit difficult, but this one in Spanish, I think that maybe some small changes...but I think that it would be good anyway.* (MD-004 Spanish Experienced - Fir Bank)

*Thank you for taking us [Spanish-speakers] into consideration...as long as we can help and learn too because...it is interesting...[this helped me learn to] pay more attention...to the documents, especially to the small print which are famous in all types of contracts.* (MD-004 Spanish Experienced - Fir Bank)

## Conclusion

In this round, the disclosures helped participants identify key characteristics about the loan, such as the cash needed to close. Participants could identify when they would receive money or owe money. Further, they could tell when the Loan Estimate and the Closing Disclosure changed, especially when they now owed money. As seen in previous rounds of testing, *Section K, Payoffs and Payments*, confused some participants, although the disclosures helped them to identify items they would have questions about.

## Key Changes for Refinance Transactions

Based on the results of this round of testing, we made changes to the revised Loan Estimate and Closing Disclosure to resolve issues regarding refinance transactions. See *Table 14. Changes Made to Spanish Refinance Disclosure*.

**TABLE 14. Changes Made to Spanish Refinance Disclosure**

Changes Made	Reason
<b>Loan Estimate, Cash to Close, p.1</b>	
Insert <i>Del Deudor</i> (From Borrower) and <i>Para Deudor</i> (To Borrower) checkboxes in the <i>Estimación del dinero en efectivo para el cierre</i> (Estimated Cash to Close) row	Emphasizes whether the borrower will receive cash back or will need to pay
<b>Loan Estimate, Calculating Cash to Close, p.2</b>	
Include <i>Deudor</i> in both checkboxes so that it reads <i>Del Deudor</i> (From Borrower) and <i>Para Deudor</i> (To Borrower)	Clarifies whether the borrower will receive cash back or will need to pay
<b>Closing Disclosure, Cash to Close, p.1</b>	
Insert <i>Del Deudor</i> (From Borrower) and <i>Para Deudor</i> (To Borrower) checkboxes in the <i>Estimación del dinero en efectivo para el cierre</i> (Estimated Cash to Close) row	Emphasizes whether the borrower will receive cash back or will need to pay
<b>Closing Disclosure, Calculating Cash to Close, p.3</b>	
Include <i>Deudor</i> in both checkboxes so that it reads <i>Del Deudor</i> (From Borrower) and <i>Para Deudor</i> (To Borrower)	Clarifies whether the borrower will receive cash back or will need to pay
Change <i>Estimación</i> (Estimate) to <i>Estimación de préstamo</i> (Loan Estimate) as header in the table	Emphasizes that those amounts come from the loan estimate the borrower received first
Move <i>Costos de cierre financiados</i> (Closing Costs Financed) to the <i>¿Esto cambio?</i> (Did this change?) column and in the <i>Dinero en efectivo para el cierre</i> (Cash to Close) row (as in English disclosures)	Attempt to further clarify the <i>Calculating Cash to Close</i> calculations



## Round 6 – Refinance and Closing Cost English Testing in Baltimore, Maryland (July 2013)

### Introduction

For this round of testing, we conducted cognitive and usability testing on the revised Loan Estimate and Closing Disclosure in Baltimore, Maryland in July 2013. This testing occurred after the Spanish testing in Baltimore.

The CFPB team decided to keep *Section K, Payoffs and Payments*, in front of the *Calculating Cash to Close* table, which performed better in Bethesda (Round 4). We tested only one design of the Loan Estimate and Closing Disclosure for refinance transactions.

### What We Tested — Design

While testing the Spanish versions in Baltimore, we reviewed results from the Quantitative Study, Phase 2 of the Mortgage Disclosure Project. In one question (Question 16), the current disclosure had outperformed the proposed disclosure by over 39 percentage points. Question 16 asked respondents for the proposed Loan Estimate: "How much are your estimated closing costs?" In the design of the GFE, *Summary of your settlement charges* was a prominent heading on page 1, but the cash to close amount was not included on the current Good Faith Estimate (GFE). In contrast, the design of the proposed Loan Estimate deliberately placed *Estimated Cash to Close* in a prominent heading. *Closing Costs* are present, but de-emphasized by being placed in a smaller font to the right of the *Estimated Cash to Close* amount. The concept of closing costs/settlement charges is important, and the CFPB team wanted to include a question about it in the Quantitative Study. However, because the cash to

close amount was not on the GFE, the CFPB team chose to ask a question about closing costs/ settlement charges, rather than about the cash needed to close.

The CFPB team anticipated that participants who worked with the GFE might perform somewhat better than those with the Loan Estimate, but did not anticipate the difference to be better at a statistically significant level.<sup>14</sup> In addition, the CFPB had analyzed public comments to the Proposed Rule that raised concerns with the significant emphasis on the *Cash to Close* on page 1 of the Loan Estimate. As a result, the CFPB team attending the Baltimore Spanish testing discussed ways to place greater emphasis on the closing costs so that the figure would be more readily visible to consumers. We modified the design for the testing of the English refinance disclosures in Baltimore.

- The *Cash to Close* table was changed to read *Costs at Closing* and a second row was added to the table to separate the *Closing Costs* and the *Cash to Close* amounts. The original *Cash to Close* table featured one row, *Cash to Close*, which included both the *Closing Costs* and the *Cash to Close* amounts.
- We added two checkboxes to the new *Costs at Closing* section in the *Cash to Close* row on page 1, underneath the header *Cash to Close*, to identify whether the amount was “From” or “To” the borrower.

To determine if the new *Costs at Closing* section was easier to understand for participants, we also presented them an alternative after they used the revised two-row design. In this version, we placed the *Closing Costs* either in bold or in a font larger than the surrounding text. These alternate tables broke down the *Cash to Close*, *Closing Costs*, *Loan Costs*, and *Other Costs* associated with the loan on one row.

### Research Goals

We tested only the modified revised Loan Estimate and Closing Disclosure in this round. The testing goal was to assess whether the new *Costs at Closing* section performed better and to corroborate previous findings. See *Table 15. Disclosure Sections Tested*.

**TABLE 15. Disclosure Sections Tested**

Disclosure	Sections
<b>Loan Estimate</b>	page 1, <i>Costs at Closing</i> section (both the <i>Closing Costs</i> and <i>Cash to Close</i> rows)
	page 1, the checkboxes that show “To” and “From” borrower
	page 2, <i>Calculating Cash to Close</i> table
<b>Closing Disclosure</b>	page 1, <i>Costs at Closing</i> section (both the <i>Closing Costs</i> and <i>Cash to Close</i> rows)
	page 3, <i>Section K, Payoffs and Payments</i>
	page 3, <i>Calculating Cash to Close</i> table

<sup>14</sup> See discussion in Kleimann Communication Group, November 20, 2013, *Quantitative Study*, Chapter 6, p.73.

Our research questions were equally targeted:

- Could participants better understand the closing cost amount with the number separated out in the *Costs at Closing* or the combined amount on the original revised disclosure which included the *Cash to Close* amount?
- Did the boxes that checked either “From” or “To” borrower help participants better understand when they were getting cash back and when they needed more cash?
- Could participants understand the calculation for the cash back or for the additional cash they needed to close?
- Could participants understand the relationship between *Section K, Payoffs and Payments*, and the *Calculating Cash to Close* table?
- Could participants understand any differences between the Loan Estimate and the Closing Disclosure?

## Interview Structure

To diagnose comprehension, we used structured 60 minute, one-on-one interviews. For each interview, participants first did a think aloud to compare the two different Loan Estimates and then chose one of the two Loan Estimates. They then answered comprehension questions on only one of the two Loan Estimates. Finally, participants did a think aloud with the matching Closing Disclosure and answered comprehension questions. Participants saw different versions of the loan products in the same order – two Loan Estimates to compare and then the matching Closing Disclosure for the Loan Estimate. Participants saw a Ficus Bank and Fir Bank Loan Estimate and then either a Ficus Bank or Fir Bank Closing Disclosure. See *Appendix H. Round 6 Refinance Disclosures*.

## Who We Tested

The participants represented a range of demographics, such as age, education, income, and experience with refinancing. See *Appendix B. Demographic Summary*.

## What We Tested – Loan Type

We tested a Loan Estimate from Ficus Bank and Fir Bank and a matching Closing Disclosure for each bank based on a conventional, 30 year Fixed Rate loan.

The Ficus Bank Loan Estimate showed that the borrower would receive \$24,901 back at closing. The matching Ficus Bank Closing Disclosure provided \$29,677.43 back to the borrower at closing. The Fir Bank Loan Estimate showed that the borrower would receive \$24,309 back at closing. The matching Fir Bank Closing Disclosure showed that the borrower now owed \$6,716.60 at closing. See *Table 16. Loan Characteristics*.

**TABLE 16. Loan Characteristics**

Loan 1 Characteristics		Loan 2 Characteristics	
Name of Loan Originator	Loan Features	Name of Loan Originator	Loan Features
<b>Ficus Bank Loan Estimate</b>	30 year Fixed Rate Refinance Interest Rate: 4.25% Closing Costs: \$5,099 Cash TO Borrower: \$24,901	<b>Fir Bank Loan Estimate</b>	30 year Fixed Rate Refinance Interest Rate: 4.125% Closing Costs: \$5,691 Cash TO Borrower: \$24,309
<b>Ficus Bank Closing Disclosure</b>	30 year Fixed Rate Refinance Interest Rate: 4.25% Closing Costs: \$5,757.57 Cash TO Borrower: \$29,677.43	<b>Fir Bank Closing Disclosure</b>	30 year Fixed Rate Refinance Interest Rate: 4.125% Closing Costs: \$6,156.60 Cash FROM Borrower: \$6,716.60

## Findings - Loan Estimate

There were three goals for testing the Loan Estimate:

- Could participants identify the amount of closing costs?
- Could participants identify the amount of cash they needed at closing or the amount of money they would get back?
- Could participants understand how *Payoffs and Payments (Section K)* were made from the amount of the loan?

### Costs at Closing, page 1

Both Loan Estimates showed that the borrower would get money back at closing. Most participants could identify whether money was coming to them and they understood that they were financing the *Closing Costs*. The checkboxes for “From” and “To” borrower helped participants to easily identify if they were getting money or owing money at closing. Participants could identify the *Closing Costs* associated with the loan. Additionally, most participants understood the difference between *Closing Costs* and the *Cash to Close* amounts. However, a few participants misinterpreted the table. They thought that they both had to write a check (to pay the *Closing Costs*) and would receive money back (the money they had planned to take out from the loan).

“ Closing Costs are all the fees, administrative fees, and stamps, and things you have to buy to close...Cash to Close is the bottom line from what you wanted to borrow or from what you wanted to get out of this after all that subtracting. That is what is left over that you want to pocket. (MD-001 English Experienced - Fir Bank)

*[At closing] I am going to get money back [and write a check]. I am going to get money back because the money coming to me is the money I am borrowing, the \$24,309, [and] I am going to pay \$5,691. There is one box checked and that is the Estimated Cash to Close to the borrower so that tells me that I am going to get \$24,309 back because that is what I am borrowing. (MD-003 English Experienced - Fir Bank)*

*[At closing] you are getting money back, \$24,901...[The checkboxes] tell you who is getting the money, you or the lender. This clearly says it. Closing Costs is what you need to settle. Cash to Close is, in my terms, [is] if you are getting money back. If you borrow more than you needed and you are getting money back or if you may have agreed to the other person to pay something you know to include. Some people might say we want money to paint or we want you to paint...that is what Cash to Close means to me, either you are going to end up owing somebody else or somebody is going to owe you. (MD-004 English Experienced - Ficus Bank)*

*[The amount of my Estimated Closing Costs] is \$5,691 [according to] page 1 under Estimated Closing Costs. I am getting money back...under Estimated Cash to Close to borrower. (MD-005 English Inexperienced - Fir Bank)*

## Calculating Cash to Close Table, page 2

The first row on the *Calculating Cash to Close* table was the *Loan Amount*. Starting with the initial *Loan Amount* helped participants follow the math, since it followed the way they would do the calculation on their own. Participants could understand what the costs of the loan were, including the *Closing Costs*. Participants understood that the *Loan Costs* were subtracted from the amount that they borrowed.

“ [Calculating Cash to Close table shows me] what the total amounts of the loan are, what the Closing Costs [are], what all the fees totaled [are], and then what is left over, [which is] what would go to me after closing. I am getting money back. [This amount is determined] by the Loan Amount - subtracting the Closing Costs and the estimated payoff, and what is left over from that. (MD-001 English Experienced - Fir Bank)

*[Calculating Cash to Close table] is showing me that I am going to borrow \$150,000, I am going to pay \$5,691 in fees, taxes, insurance, and the payoff is the balance. (MD-003 English Experienced - Fir Bank)*

*[Calculating Cash to Close table] is telling you the amount you are borrowing. It is telling you the Closing Costs, what are your expenses that you owe the bank, and the payoffs. Say if you owe money on the house that you had which you needed to pay off. It is telling you what the difference is between the two. I am getting money back...[this amount] is determined by the amount you are borrowing, deducted by the amount of your costs, your origination fee, your insurance and all of that, and then the payoff, and that is deducted away from the original amount of the loan and it gives you the difference. (MD-004 English Experienced - Ficus Bank)*

## Findings - Closing Disclosure

For this testing, we focused specifically on the *Costs at Closing* section on page 1. We wanted to determine if participants could successfully identify the *Closing Costs* as opposed to the *Cash to Close* amount. We also wanted to determine if participants could identify how much cash they needed at closing or the amount of money they were getting back. Additionally, the goal was to corroborate the previous findings and identify if participants could use the *Calculating Cash to Close* table and *Section K, Payoffs and Payments*, on page 3 to follow how the money paid out affected the amount they were getting or the amount they now owed. For Ficus Bank, the amount of cash to the borrower increased on the Closing Disclosure. For Fir Bank, participants no longer received cash, but had to pay cash at closing.

### Costs at Closing, page 1

As with the Loan Estimate, most participants could identify whether money was coming to them and they could identify what the *Closing Costs* were. Four out of five participants correctly distinguished between the *Closing Costs* and *Cash to Close* amounts.

“ [At closing] you are getting money back. [I know this] because it says so right here [on page 1], Cash to Close to borrower. (MD-002 English Inexperienced - Ficus Bank)

At closing I am getting money back...[My Closing Costs are] \$5,737. (MD-004 English Experienced - Ficus Bank)

[My Closing Costs are] \$6,156.60. I [like] the stacked [table] because then I know what I have to pay and what I am getting back [is] right there in front of me and it tells me what it is. I like that one better. (MD-003 English Experienced - Fir Bank)

### Calculating Cash to Close and Section K, Payoffs and Payments, page 3

Placing the *Calculating Cash to Close* table **after** *Section K, Payoffs and Payments*, continued to help participants to understand the math in the table and how the table was related to that section. Despite this, some participants struggled to understand that the lender was paying off creditors for them. Some participants did not understand how the table related to the amount of money that they would receive from the lender, even though they understood the math involved in the *Calculating Cash to Close* table.

“ [Calculating Cash to Close table] is giving you the Loan Amount. It is separating all the different costs and what you need, the difference between the estimates of what was laid out [in the Loan Estimate] and what the final exact numbers are. (MD-001 English Experienced - Fir Bank)



[Calculating Cash to Close table] is showing you the Loan Amount and then it is showing you your Closing Costs. It is showing you what you paid for...and it is showing you your Total Payoffs and Payments...[the "Estimate" column] was the one that was on the Loan Estimate when you originally started out and this ["Final" column] is apparently what it turned out to be in the final process...[the Total Payoffs and Payments paid based on the final Closing Disclosure is] \$115,000...that is your Loan Amount or your payoff amount. (MD-002 English Inexperienced - Ficus Bank)

[Calculating Cash to Close table] is showing me the estimate and the final. It is showing me why it changed, if it changed...It is showing me that the total payoff is a whole lot more than the estimated total payoff...it is showing me the difference between the estimate and the final. (MD-003 English Experienced - Fir Bank)

I was getting back \$24,000 [on the Loan Estimate], but now I have to pay \$6,700 because some of the fees have changed, but also [because] you're paying my creditors for me and I'm not getting the cash. [Calculating Cash to Close table shows me] what we talked about initially [in the Loan Estimate] and then what is actually happening. (MD-005 English Inexperienced - Fir Bank)

### Alternate Designs of the Costs at Closing and Cash to Close Table Comparisons

Most participants preferred the *Costs at Closing* section in the revised version of the disclosure and could identify their *Closing Costs* and *Cash to Close* amount using that table. However, of the alternate designs shown to them, one participant preferred the version of the *Cash to Close* table with the bold text for the *Closing Costs*.

“ This [the bold] is better, it is more clear when you look at it. [What the cost is] comes right to you...instead of having to go back and forth, back and forth. (MD-002 English Inexperienced – Ficus Bank)

### Positive Comments about the Disclosures

Most participants thought the disclosures contained the information necessary to make an informed decision about the loan. They said the design clearly explains the key terms.

“ [The disclosures] look more like a summary rather than a disclosure. It seems like I can understand the information and what the loan terms are...it looks just like a summary of maybe what I would discuss with a loan officer, or something...it's nice that they give the estimate [on the Calculating Cash to Close table] so I can see what's going on at closing. (MD-005 English Inexperienced - Fir Bank)

Print is large which is good...it looks like it is laid out very well. The explanation is good...you can read everything. (MD-002 English Inexperienced - Ficus Bank)

## Conclusion

The revised disclosures worked well with participants. Participants could use the checkboxes on the *Costs at Closing* section and they could distinguish between the *Closing Costs* and the *Cash to Close* amounts. Most participants could follow the math on the *Calculating Cash to Close* table. Some participants continued to be confused about how *Section K, Payoffs and Payments*, related to the *Calculating Cash to Close* table. In all cases, participants could understand whether they were receiving cash or paying cash at closing.

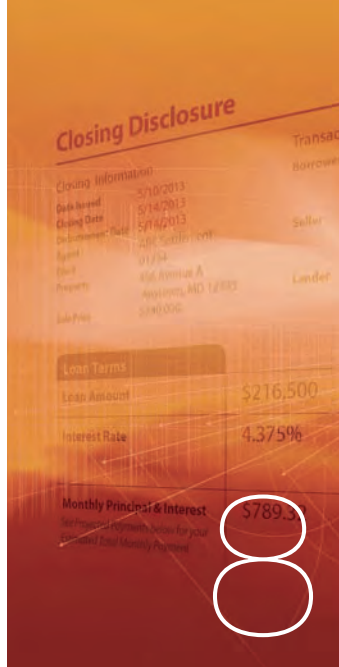
## Key Changes for Refinance Transactions

Based on the results of this round of testing, we made changes to the revised Loan Estimate and Closing Disclosure to resolve issues regarding refinance transactions and the visibility of the total closing costs. See *Table 17. Changes Made to Refinance Disclosure*.

**TABLE 17. Changes Made to Refinance Disclosure**

Changes Made	Reason
<b>Loan Estimate, Costs at Closing (previously titled Cash to Close), p.1</b>	
Make two separate rows for <i>Closing Costs</i> and <i>Cash to Close</i>	Emphasizes the <i>Closing Costs</i> and whether the borrower will receive cash back or will need to pay
Move the "To" and "From" checkboxes from the header of the <i>Cash to Close</i> row to be a part of the text on the right	Gives the header additional emphasis to aid borrowers in finding it
In <i>Closing Costs</i> row, add "See page 2 for details."	Points to more details about the <i>Closing Costs</i>
In <i>Cash to Close</i> row, rearrange text to match other "see" sentences: "Includes Closing Costs. See <i>Calculating Cash to Close</i> on page 3 for details."	Points to more details about the <i>Loan Costs</i> and <i>Payoffs and Payments</i> and creates more consistency
<b>Closing Disclosure, Projected Payments, p.1</b>	
In the <i>Estimated Taxes, Insurance &amp; Assessments</i> (second column), add "See Escrow Account on page 4 for details. You must pay other property costs separately."	Points to more details about what is included in the <i>Escrow Account</i> and the costs for those items
<b>Closing Disclosure, Costs at Closing (previously titled "Cash to Close"), p.1</b>	
Make two separate rows for <i>Closing Costs</i> and <i>Cash to Close</i>	Emphasizes the <i>Closing Costs</i> and whether the borrower will receive cash back or will need to pay
Move the "To" and "From" checkboxes from the header of the <i>Cash to Close</i> row to be a part of the text on the right	Gives the header additional emphasis to aid borrowers in finding it
In <i>Closing Costs</i> row, rearrange text to match other "see" sentences: "See page 2 for details."	Points to more details about the <i>Closing Costs</i>
In <i>Cash to Close</i> row, rearrange text to match other "see" sentences: "Includes Closing Costs. See <i>Calculating Cash to Close</i> on page 3 for details."	Points to more details about the <i>Loan Costs</i> and <i>Payoffs and Payments</i>
<b>Calculating Cash to Close, p.3</b>	
Change <i>Estimate</i> to <i>Loan Estimate</i> as a header in the table	Emphasizes that those amounts come from the <i>Loan Estimate</i>
Move <i>Closing Costs Financed</i> row to the "Did this change?" column and in the <i>Cash to Close</i> row (as in Round 1 disclosures)	Attempt to clarify the <i>Calculating Cash to Close</i> calculation





## Round 7 – Closing Cost and Refinance Testing in Richmond, Virginia (July 2013)

### Introduction

In July 2013, we conducted a final round of testing in Richmond, Virginia.

### What We Tested — Design

We tested both a Loan Estimate and Closing Disclosure to confirm that the new *Costs at Closing* section worked for a purchase transaction. We also tested the refinance disclosures.

### Loan Estimate and Closing Disclosure for Purchase Transactions

Following the change to *Costs at Closing* based on public comments to the Proposed Rule and the quantitative testing results, the CFPB team also modified the Loan Estimate and Closing Disclosure for purchase transactions to make the total *Closing Costs* more readily visible on page 1 of the Loan Estimate and Closing Disclosure:

- On both the Loan Estimate and the Closing Disclosure, the *Cash to Close* table was changed to read *Costs at Closing*. We added an extra row to the table to separate the *Closing Costs* and the *Cash to Close* amounts in order to emphasize the *Closing Costs*.
- On page 1 of the Loan Estimate and Closing Disclosure, we added two checkboxes to the new *Costs at Closing* section in the *Cash to Close* row to identify whether the amount was “From” or “To” the borrower. We also added the checkboxes to the *Summaries of Transactions* table on page 3 of the Closing Disclosure.

- In the *Calculating Cash to Close* table on page 3 of the Closing Disclosure, *Estimate* was changed to read *Loan Estimate* as a header in the table to highlight that those amounts come from the Loan Estimate the borrower received first.
- The *Closing Costs Financed* row in the *Calculating Cash to Close* table on page 3 of the Closing Disclosure was moved to the “Did this change?” column, in the *Cash to Close* row to clarify the *Calculating Cash to Close* calculation.

### Loan Estimate and Closing Disclosure for Refinance Transactions

For this round, we modified the design used for the Baltimore English refinance testing. These changes included the *Costs at Closing* section and moving the “To” and “From” checkboxes into the text of the *Cash to Close* row. In the *Calculating Cash to Close* table on page 3 of the Closing Disclosure, we also added *Loan* to the *Estimate* header so it read *Loan Estimate*. Finally, we moved the *Closing Costs Financed* row in the *Calculating Cash to Close* table to the “Did this change?” column in the *Cash to Close* row.

### Research Goals

The testing assessed whether the new *Costs at Closing* section performed well on purchase transactions and corroborated the findings for the refinance transactions. Additionally, we wanted to assess whether participants could understand how a loan product with interest only payments works, especially one with negative amortization. See *Table 18. Disclosure Sections Tested*.

**TABLE 18. Disclosure Sections Tested**

Disclosure	Sections
<b>Loan Estimate (Purchase)</b>	page 1, <i>Costs at Closing</i> section (both the <i>Closing Costs</i> and <i>Cash to Close</i> rows)
	page 1, <i>Projected Payments</i>
<b>Closing Disclosure (Purchase)</b>	page 1, <i>Costs at Closing</i> section (both the <i>Closing Costs</i> and <i>Cash to Close</i> rows)
	page 1, <i>Projected Payments</i>
	page 3, <i>Negative Amortization</i>
<b>Loan Estimate (Refinance)</b>	page 1, <i>Costs at Closing</i> section (both the <i>Closing Costs</i> and <i>Cash to Close</i> rows)
<b>Closing Disclosure (Refinance)</b>	page 1, <i>Costs at Closing</i> section (both the <i>Closing Costs</i> and <i>Cash to Close</i> rows)
	page 3, <i>Calculating Cash to Close</i> table
	page 3, <i>Section K, Payoffs and Payments</i>

Our research questions were equally targeted:

- In the *Closing Costs* row on page 1 in the *Costs at Closing* section, could participants better understand the *Closing Cost* amount with this number separated out over how previously presented on the original revised disclosure which included the *Cash to Close* amount?
- In the *Cash to Close* row on page 1 in the *Costs at Closing* section, did the checkboxes for “From” or “To” borrower help participants better understand when they were getting cash and when they needed additional cash to close?
- Could participants understand that their monthly payments increase because they are paying interest only at first and how this affected their loan? (purchase disclosures only)
- Could participants understand a loan with negative amortization? (purchase disclosures only)
- Could participants understand the relationship between *Section K, Payoffs and Payments*, and the *Calculating Cash to Close* table? (refinance disclosures only)

## Interview Structure

To diagnose comprehension, we used structured 90-minute, one-on-one interviews. We used two sets of purchase disclosures and one set of refinance disclosures. With each set, we used one Loan Estimate and one Closing Disclosure. We rotated which purchase disclosures participants focused on and showed all participants the same refinance disclosures.

For each interview, participants first did a think aloud to compare the two different purchase Loan Estimates and then chose one of the two Loan Estimates. They then answered comprehension questions on only one of the Loan Estimates. Next, participants did a think aloud with the matching Closing Disclosure and answered comprehension questions. Finally, participants did a think aloud with the refinance Loan Estimate and answered comprehension questions. They then did a final think aloud with the refinance Closing Disclosure and answered comprehension questions.

Participants saw different versions of the purchase loan products in the same order – two Loan Estimates to compare and then the matching Closing Disclosure for the Loan Estimate that we preselected. Participants saw a Gingko Bank and Hornbeam Bank Loan Estimate and then either a Gingko Bank or Hornbeam Bank Closing Disclosure. After viewing the purchase loan products, all participants viewed one refinance Loan Estimate and one matching refinance Closing Disclosure, both from Fir Bank. See *Appendix I. Round 7 Refinance Disclosures*.

## Who We Tested

Participants represented a range of demographics, such as age, education, income, and experience with buying a home or refinancing. See *Appendix B. Demographic Summary*.

## What We Tested — Loan Type

For the purchase transaction, we used two Loan Estimates that were interest only loan products that changed in the Closing Disclosure to a loan with negative amortization. See *Table 19. Purchase Loan Characteristics*.

**TABLE 19. Purchase Loan Characteristics**

Purchase Loan 1 Characteristics		Purchase Loan 2 Characteristics	
Name of Loan Originator	Loan Features	Name of Loan Originator	Loan Features
<b>Gingko Bank Loan Estimate</b>	5 Year Interest Only, 5/3 Adjustable Rate Loan Monthly Principal and Interest: \$703.33 Closing Costs: \$8,791 Cash to Close: \$27,791	<b>Hornbeam Bank Loan Estimate</b>	7 Year Interest Only, 7/1 Adjustable Rate Monthly Principal and Interest: \$747.29 Closing Costs: \$7,296 Cash to Close: \$26,296
<b>Gingko Bank Closing Disclosure</b>	5 Year Negative Amortization, 5/3 Adjustable Rate Monthly Principal and Interest: \$500.00 Closing Costs: \$13,519.43 Cash to Close: \$30,589.43	<b>Hornbeam Bank Closing Disclosure</b>	5 Year Negative Amortization, 7/1 Adjustable Rate Monthly Principal and Interest: \$400.00 Closing Costs: \$13,742.87 Cash to Close: \$27,787.87

For the refinance transaction, we tested only one Loan Estimate and one Closing Disclosure. We used a refinance transaction in which the Loan Estimate showed that the borrower would get cash; however, the Closing Disclosure showed that the borrower would need to pay. See *Table 20. Refinance Loan Characteristics*.

**TABLE 20. Refinance Loan Characteristics**

Refinance Loan 1 Characteristics	
Name of Loan Originator	Loan Features
<b>Fir Bank Loan Estimate</b>	30 year Fixed Rate Refinance Interest Rate: 4.125% Closing Costs: \$5,691 Cash TO Borrower: \$24,309
<b>Fir Bank Closing Disclosure</b>	30 year Fixed Rate Refinance Interest Rate: 4.125% Closing Costs: \$6,156.60 Cash FROM Borrower: \$6,716.60



## Findings - Loan Estimate

In the Loan Estimates for a purchase transaction, the testing goal was twofold:

- Could participants identify the amount of *Closing Costs*?
- Could participants understand what “interest only” means and how it affects their loan? (purchase disclosures only)

For the refinance transaction, we added the goal of:

- Could participants identify the amount of cash they needed to pay at closing or the amount of money they would receive?

### **Purchase Loan Estimate, Costs at Closing, p. 1**

Participants could correctly identify the *Closing Costs* and what those costs included. See *Table 21. Verbatim Answers to Questions about Closing Costs*.

**TABLE 21. Verbatim Answers to Questions about Closing Costs**

	What are the Estimated Closing Costs associated with this loan?	What is that made up of?	At closing you have to write a check to cover certain costs associated with the loan. How much would that amount be?	What is included in that amount?
<b>VA-001</b> English Inexperienced - Ginkgo Bank	\$8,791	<i>Loan Costs, Other Costs, and Lender Credits</i> and there were none involved in this loan.	\$27,791	The total costs, which were the <i>Other Costs</i> added up.
<b>VA-002</b> English Experienced - Hornbeam Bank	\$7,296	<i>Loan Costs</i> and <i>Other Costs</i> .	\$26,296	<i>Closing Costs, Down Payment</i> from the borrower, minus the <i>Deposit</i> .
<b>VA-005</b> English Experienced - Ginkgo Bank	\$8,791	\$5,851 in <i>Loan Costs</i> plus \$2,940 in <i>Other Costs</i> .	\$27,791	Includes <i>Closing Costs</i> and it says to see the calculation on page 2, so I go to page 2... [it includes] <i>Other Costs, Taxes and other Government Fees, Recording Fees and Other Taxes...Homeowner's Insurance...Prepaid Interest...Other Costs...10,000 down as a Down Payment...</i> and the nominal fees for my <i>Closing Costs</i> .
<b>VA-006</b> English Experienced - Hornbeam Bank	\$7,296	<i>Loan Costs</i> and... <i>Other Costs</i> with a zero <i>Lender Credit</i>	\$26,296	

## Purchase Loan Estimate, Projected Payments, page 1

Most participants could identify why the *Estimated Monthly Payments* increased (this occurred in year six for Gingko and year eight for Hornbeam). They understood that they were paying only interest at first and that later payments included the principal. Because these were adjustable rate loan products, a few participants also mentioned a change in the interest rate also affected the monthly payments.

“ [In year 8, the payment is different than in year 7] because they start adding in the principal. Before you're only paying interest. (VA-002 English Experienced - Hornbeam Bank)

[The payment in year 6 is different than in year 5] because it resets. Starting in year 6 it adjusts, the interest rate will adjust in year 6...it includes only interest and no principal...after that I'd start paying the principal. (VA-003 English Inexperienced - Gingko Bank)

[The payment changes in year 8] because the interest can change. That's the first year it will change so that's going to affect the payment...my payment is different because the interest has changed...[and] the principal kicks in...in year 8 it will include principal as well as interest, so that is part of it. (VA-004 English Experienced - Hornbeam Bank)

[The payment changes in year 6] because I'm on an adjustable [loan]...it includes my principal and interest. (VA-005 English Inexperienced - Ginkgo Bank)

[The estimated payment changes in year 8 because] the adjustable rate mortgage kicks in at the 83rd month and it is going to go up three percent...I'm going to stop paying just for interest, where in years 1 through 7 you are only paying the interest amount... in year 8 I'm going to start paying on the principal of it. (VA-006 English Experienced - Hornbeam Bank)

## Refinance Loan Estimate, Costs at Closing, page 1

The Fir Loan Estimate showed that the borrower would get money back at closing. Most participants identified whether they would receive money or have to pay money to the bank. The checkboxes with “From” and “To” borrower helped participants to easily identify this. Most participants could also identify the *Closing Costs* associated with the loan.

“ I am getting money back...it just says automatically right here, Estimated Cash to Close, and then it says to the borrower rather than from the borrower. I know that I'm borrowing more than what I still owe on the house so I know the cash is coming back to me. I probably set the loan up with that intention to begin with. (VA-001 English Inexperienced - Fir Bank)

I should be getting money back, \$24,309. [I found that amount] right here, [in the] estimated closing, Cash to Close. This says “To” the borrower. (VA-002 English Experienced - Fir Bank)

*I am getting money back...\$24,000...because it says Estimated Cash to Close "From" [or] "To"...[the box checked "To"] means I'm the borrower. My Estimated Closing Costs are \$5,691. (VA-005 English Inexperienced - Fir Bank)*

*I'm getting money back...under the Estimated Cash to Close [in the] "From"/"To" me [checkboxes]...so that [the] \$30,000 I'm asking above the \$120,000, which made my [loan] \$150,000, minus my Closing Costs I needed to close means I'm actually getting \$24,309 back. Not quite getting the \$30,000 back I wanted to pay my bills...because there are fees and things. (VA-005 English Experienced - Fir Bank)*

## Findings - Closing Disclosure

We focused specifically on the *Costs at Closing* section on page 1 to corroborate the findings of the refinance testing in Baltimore. The goal was to determine if participants could identify how much cash they needed at closing or the amount they would receive (on both the purchase and refinance disclosures). Additionally, the goal was to identify if participants could use the *Calculating Cash to Close* table and *Section K, Payoffs and Payments*, on page 3 of the refinance disclosures to follow how the money paid out affected the amount they were getting back or the amount they now owed.

### Purchase Closing Disclosure, Costs at Closing, page 1

As with the Loan Estimate, most participants could identify the *Closing Costs* and the *Cash to Close*, specifically whether they would receive money or have to pay the bank.

“ Okay, Closing Costs have changed significantly [from the Loan Estimate]...let's see, Cash to Close...\$27,787...[which includes]...Origination Charges, all of the services, the fees, all that stuff. It is also including the Initial Escrow Payment, the prepaids, the insurance premiums, and taxes and prepaid insurance...HOA...so all the Loan Costs, the taxes and fees, the prepaids, the HOA, I think that's everything. (VA-004 English Experienced - Hornbeam Bank)

Closing Costs [are] \$13,742.87...[Cash to Close is] \$27,787.87...[this changed] because the Loan Amount is more which increased everything else. (VA-008 English Experienced - Hornbeam Bank)

### Purchase Closing Disclosure, Projected Payments, page 1, and Negative Amortization, page 4

At closing, both Ginkgo Bank and Hornbeam Bank loans became negative amortization loan products. Initial payments included only some interest. Later, the payments increased when they included all of the interest and the principal. The *Loan Amount* increased because the unpaid interest was added to the *Loan Amount*. Many participants understood that the payments changed because they initially paid only interest and later the principal was added. They did not always understand the partial interest payments. Although they could understand what was happening to their payments, some participants were not familiar with the term *Negative Amortization*. Two participants understood what the term meant after reading the section explaining negative amortization on page 3.

On Day 2, we changed the phrase *Only Interest* to *Only Some Interest* to highlight that not all of the interest was being paid.<sup>15</sup> However, no participant on Day 2 noticed the term *some*.

“ Now I’m looking at Negative Amortization and the fact that my loan amount will increase but they’re not even covering the monthly interest payment due every month. (VA-001 English Inexperienced - Ginkgo Bank)

*I’d have to look [negative amortization] up on the computer. [The Negative Amortization section explains]...basically you’re just not paying...all the interest that is due that month. So over here [on the Loan Estimate] the \$747 is the interest due and they’ve cut it down to make it \$400. [It] makes the payment smaller but that amount goes back on to your loan. (VA-002 English Experienced - Hornbeam Bank)*

*So I’m not paying all of my interest. Even though it’s interest only, it’s saying I’m not paying all my interest? (VA-003 English Experienced - Ginkgo Bank)*

*I’m getting a negative amortization on my loan, which means I’m already in the hole before I ever start. I will not be making enough in interest payments on the loan, even though I’m making this payment to cover the amount of interest, which means my loan is going to just about double in the cost. (VA-006 English Experienced - Hornbeam Bank)*

### Refinance Closing Disclosure, Costs at Closing, page 1

In the Fir Closing Disclosure, participants no longer got cash back, but had to pay cash at closing. As with the Loan Estimate, most participants could identify whether money was coming to them and they could identify the amount of the *Closing Costs*.

“ I have to write a check for \$6,700 versus receiving \$24,000 [as shown on the Loan Estimate]. (VA-001 English Inexperienced - Fir Bank)

*The Closing Costs did change...well, they, it looks like they went up and it looks like now I have to pay money because it says “From” the borrower. (VA-004 English Experienced - Hornbeam Bank)*

*There [is a] closing change...I have to pay...\$6,716. (VA-005 English Inexperienced - Fir Bank)*

### Refinance Closing Disclosure, Calculating Cash to Close table and Section K, Payoffs and Payments, page 3

In the Fir Closing Disclosure, participants had to pay cash at closing because the bank paid off the borrower’s creditors directly and the amounts were higher than the Loan Estimate. The Loan Estimate underestimated the amount owed on the borrower’s current loan which contributed to the borrower now owing money to the bank in the Closing Disclosure. Most participants understood that the lender was paying off creditors for them.

“ [I’m not getting any money back] because I’m paying down the balances directly from closing. I’m allowing the attorney to make those payments for me. A mechanic’s lien

<sup>15</sup> Participants 001, 002, 003, and 004 were tested on Day 1, while participants 005, 006, 007, and 008 were tested on Day 2.

*has to be paid off in order to close the loan, clear the title, and same with the taxes. So those two have to be done through the attorney...the lender could have required the attorney to pay that credit card balance down rather than giving me the cash and assuming I'm going to pay it down so that explains why I'm not getting any money back. (VA-001 English Inexperienced - Fir Bank)*

*The payoff is much different [in the Closing Disclosure]...I guess because they added all this stuff in here. I mean this is why it's larger because they correct our balance, home improvement, and taxes. Tax, they've added that all together and put that in there. So that, I guess, that is the difference...because they're writing all this up...so when you add them all, this price, you wind up there with that \$6,716. (VA-002 English Experienced - Fir Bank)*

*I have to write a check ...[Calculating Cash to Close table is] telling me I'm paying more in Closing Costs. Payoffs and Payments went up \$31,000. Before they were only going to pay out \$120, now they're paying \$151. (VA-003 English Inexperienced - Fir Bank)*

*Total payoffs, payments, okay so instead of getting the \$30,000 or the \$24,000 that I was going to get, I assumed to pay off these people, they're paying them off for me and so I'm not getting the money. (VA-004 English Experienced - Hornbeam Bank)*

## Positive Comments about the Disclosures

Participants had positive comments about the design of the loan and thought the information provided was helpful for understanding the terms of the loan.

“*They're laid out identically as to the disclosure...because it's comparing apples to apples so I can clearly see where there's a difference like nothing...seems to be buried or hidden in a different type of disclosure...I definitely think that's a plus. I like the bold print...for the main questions that you might have...(VA-001 English Inexperienced)*

*I like that over here on the left side [of the Other Considerations section] is...this is what we're talking about and it's in bold, and over here it's okay, this is what we're meaning when we say this...it's easy for me to look at it and see something like this that would jump out...[for example] you may not be able to refinance this loan...I think in the paperwork that I've dealt with in the past, I wouldn't have even seen that if it was in there. (VA-004 English Experienced)*

## Conclusion

The disclosures worked well with participants and they could identify and understand the general terms. Participants could identify the *Closing Costs* and what they consisted of. Importantly, participants consistently distinguished between *Closing Costs* and *Cash to Close*. Additionally, most participants could identify how much money they owed or were receiving from the bank and looking at the checkboxes on the *Costs at Closing* section made this stand out for them. Most participants understood why their payments changed on the purchase loans (because they were paying only interest). Most participants also understood the concept of a loan with negative amortization, although some participants had to read the section explaining this term. Lastly, most participants understood *Section K, Payoffs and Payments*, and why they now owed money on the refinance Closing Disclosure (as opposed to receiving money on the Loan Estimate). Even if a section or concept was somewhat unclear to participants, many said that the disclosures at least activated them to ask questions.

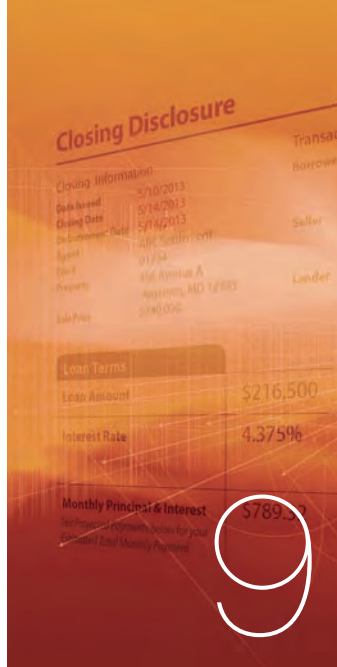
Based on the results of the testing, we made changes to the Spanish translation to match the final versions of the Loan Estimate and the Closing Disclosure.

## Final Changes

For the disclosures tested in Richmond, we recommend only two changes to the disclosures. First, we recommend removing the “To” and “From” boxes on the purchase disclosures. These were unnecessary in nearly all purchase transactions. Second, although we tried the phrase “only some interest” to underscore a loan with negative amortization, no participant commented on it in any way. We recommend using the proposed “only interest” phrase in all cases.







## The Final Spanish Disclosures

The final design of the Spanish disclosures builds on the successful designs of the Loan Estimate and the Closing Disclosure. The consumer testing helped to ensure that the translations could work across multiple dialects, sociographics, and demographics that exist within the United States.

### Spanish Loan Estimate Details

The design of the final Loan Estimate allows sufficient flexibility for the disclosure of fixed rate loans as well as adjustable rate and interest only loans on a standard form. It is also able to show loans with certain other features, such as negative amortization, balloon payments, or a prepayment penalty. The design uses a simple structure for the three-page disclosure that places a one-page summary of the *Términos del préstamo - Loan Terms*, *Pagos proyectados - Projected Payments*, and *Costos al momento del cierre - Costs at Closing* in front of the detailed information on pages 2 and 3:

- **Page 1** provides a summary of the key *Loan Terms*, *Projected Payments*, and *Costs at Closing*. The page contains separate sections that show the basic *Loan Terms*, including the *Monthly Principal & Interest* payment and *Loan Costs*. Two sections provide consumers with affordability information. For example, it provides a schedule of *Projected Payments*, including the *Estimated Taxes, Insurance & Assessments* on the property. It also shows the *Costs at Closing*, including *Closing Costs* and *Cash to Close*. If any of the basic loan terms can change after closing, a simple, yet easily visible, “yes” or “no” in bold font and capitalized

letters provides that information. A series of bullets in that row provide details about any possible changes, including, for example, specific numbers for how high the change can be and a year for when the change can occur.

- **Page 2** itemizes the costs associated with the loan and with the real estate transaction. It also provides a *Calculating Cash to Close* table to summarize the transaction costs. It also provides an *Adjustable Interest Rate Table* and an *Adjustable Payment Table* when needed.
- **Page 3** provides three figures that consumers can use to compare loan offers: *In 5 Years*, the *Annual Percentage Rate (APR)*, and the *Total Interest Percentage (TIP)*. It also lists disclosures mandated by statute, including new disclosures required by the Dodd-Frank Act. These disclosures can include *Appraisal*, *Assumption*, *Homeowner's Insurance*, *Late Payments*, *Loan Acceptance*, *Liability after Foreclosure*, *Refinance*, and *Servicing*. Page 3 has space for an optional signature line so that the lender can document receipt of the disclosure.

The Loan Estimate includes two disclosures required under statutory provisions other than TILA and sections 4 and 5 of RESPA, which are currently typically provided as separate pages, as well as certain new disclosures under the Dodd-Frank Act. For example, the Loan Estimate includes an *Appraisal* disclosure currently required under the Equal Credit Opportunity Act and a *Servicing* disclosure currently required under section 6 of RESPA. The Loan Estimate incorporates the three pages of the current GFE, the two pages of the typical TILA disclosure, as well as the one-page Appraisal notice, and the one-page Servicing disclosure. Accordingly, the Loan Estimate incorporates at least seven pages of current disclosures into three pages of an integrated disclosure.

# Page 1 of Spanish Loan Estimate

**FICUS BANK**  
4321 Random Boulevard • Somerscity, ST 12340

**1** Guarde esta Estimación de Préstamo para compararla con su Declaración de Cierre.

---

**Estimación de Préstamo**

**FECHA DE EMISIÓN** 2/15/2013  
**SOLICITANTES** Michael Jones and Mary Stone  
123 Anywhere Street  
Anytown, ST 12345  
**INMUEBLE** 456 Somewhere Avenue  
Anytown, ST 12345  
**PRECIO DE VENTA** \$240,000

**PLAZO DEL PRÉSTAMO** 30 años  
**FINALIDAD** Adquisición por compra  
**PRODUCTO** Por 5 años pago de intereses solamente,  
5/3 tasa ajustable  
**TIPO DE PRÉSTAMO**  Convencional  FHA  VA   
**N.º DEL PRÉSTAMO** 123456789  
**BLOQUEO DE TASA**  NO  SÍ, hasta el 4/16/2013 a las 5:00 p. m. EDT

Antes del cierre, la tasa de interés, los puntos y los créditos del prestamista podrían cambiar, a menos que usted bloquee la tasa de interés. Todos los demás costos de cierre estimados estarán vigentes hasta el 3/4/2013 a las 5:00 p. m. EDT

---

**2** **Términos del préstamo** ¿Puede aumentar este monto después del cierre?

<b>Monto del préstamo</b>	\$211,000	<b>NO</b>
<b>Tasa de interés</b>	4%	<b>SÍ</b> • Se ajusta cada tres años a partir del año 6 • Puede subir hasta el 12 % en el año 15 • Para obtener más información, consulte la tabla de tasas de interés ajustable (TIA) en la página 2
<b>Pago mensual de intereses y capital</b> <small>Consulte la sección de pagos proyectados para saber el total estimado de su pago mensual</small>	\$703.33	<b>SÍ</b> • Se ajusta cada tres años a partir del año 6 • Puede subir hasta \$2,068 en el año 15 • Incluye solo el interés y no el capital hasta el año 6 • Para obtener más información, consulte la tabla de pagos ajustables (PA) en la página 2
<b>Multa por pago anticipado</b>		<b>NO</b>
<b>Cuota extraordinaria</b>		<b>NO</b>

---

**3** **Pagos proyectados**

Cálculo de los pagos	Años 1 a 5	Años 6 a 8	Años 9 a 11	Años 12 a 30
Capital e intereses	\$703.33 <i>solo intereses</i>	\$1,028 min \$1,359 máx	\$1,028 min \$1,604 máx	\$1,028 min \$2,068 máx
Seguro hipotecario	+ 109	+ 109	+ 109	+ —
Depósito estimado para impuestos y seguros de la vivienda <small>El monto puede aumentar con el paso del tiempo</small>	+ 0	+ 0	+ 0	+ 0
<b>Pago total mensual estimado</b>	<b>\$812</b>	<b>\$1,137 – \$1,468</b>	<b>\$1,137 – \$1,713</b>	<b>\$1,028 – \$2,068</b>

---

**Impuestos, seguro y evaluaciones estimados**  
El monto puede aumentar con el paso del tiempo

\$533 por mes	<b>Esta estimación incluye</b> <input checked="" type="checkbox"/> Impuestos sobre la propiedad <input type="checkbox"/> Seguro de la vivienda <input type="checkbox"/> Otro: <small>Consulte la Sección G en la página 2 los detalles de la cuenta de depósito para impuestos y seguros. Deberá pagar por separado los demás costos.</small>	<b>¿En depósito?</b> <b>NO</b> <b>NO</b>
---------------	---	--

---

**4** **Costos al momento del cierre**

<b>5</b> <b>Costos de cierre estimados</b>	\$8,791	Incluye \$5,851 por costos del préstamo + \$2,940 por otros costos – \$0 por créditos del prestamista. Consulte los detalles en la página 2.
<b>6</b> <b>Dinero en efectivo estimado para el cierre</b>	\$27,791	Incluye costos de cierre. Consulte los detalles en Cálculo del dinero en efectivo para el cierre en la página 2.

Visite [www.consumerfinance.gov/mortgage-estimate](http://www.consumerfinance.gov/mortgage-estimate) para información general y ayuda.  
ESTIMACIÓN DE PRÉSTAMO PÁGINA 1 DE 3 • N.º DEL PRÉSTAMO 123456789

**1** **Detalles del préstamo - Loan Details:** Shows transaction information and includes a reminder to save the *Loan Estimate - Estimación de Préstamo* to compare with the *Closing Disclosure - Declaración de Cierre*.

**2** **Términos del préstamo - Loan Terms:** Shows the basic terms of the loan, whether they may increase or change, and the timing and highest change possible.

**3** **Pagos proyectados - Projected Payments:** Shows affordability information, including how and when *Monthly Principal & Interest - Pago mensual de intereses y capital* payments can change over time, an estimate of *Taxes, Insurance & Assessments - Impuestos, seguro, y evaluaciones estimados* for the property, and the *Estimated Total Monthly Payment - Pago total mensual estimado*, including if taxes and insurance are escrowed or excluded from the loan payment.

**4** **Costos al momento del cierre - Costs at Closing:** This section shows another aspect of affordability in order to purchase the house.

**5** **Costos de cierre estimados - Estimated Closing Costs:** Shows the total of *Loan Costs - Costos del préstamo* and *Other Costs - otros costos* from page 2 – and allows shopping on the basis of the cost of obtaining the mortgage loan.

**6** **Dinero en efectivo estimado para el cierre - Estimated Cash to Close:** Shows the additional cost to close the loan and the real estate transaction.

## Page 2 of Spanish Loan Estimate

**1 Costos del préstamo - Loan Costs:** Lists the costs that are generally associated with the loan, including the lender's charges and required services. These required services are grouped by services for which consumers can or cannot shop for through their own service providers.

**2 Otros costos - Other Costs:** Lists the costs that are generally not determined by the lender, including taxes, insurance premiums, and optional services.

**3 Calculo del dinero en efectivo para el cierre - Calculating Cash to Close table:** Lists the costs that make up the *Cash to Close - Dinero en efectivo para el cierre*, including the *Deposit - Depósito* and lender - prestamista, seller - vendedor, and *Other Credits - Otros créditos*.

**4 Tabla de pagos ajustables (PA) - Adjustable Payment (AP) Table:** Lists payments that can adjust, such as interest only payments, if needed.

**5 Tabla de tasa de interés ajustable (TIA) - Adjustable Interest Rate (AIR) Table:** Lists the details for an adjustable interest rate, if needed.

Detalles de los costos del cierre	
<b>Costos del préstamo</b> <b>1</b>	
<b>A. Gastos por tramitación</b>	<b>\$3,110</b>
1 % del monto del préstamo (Puntos)	\$2,110
Cargo por procesamiento	\$500
Cargo por la solicitud del préstamo	\$500
<b>Otros costos</b> <b>2</b>	
<b>E. Impuestos y otros cargos gubernamentales</b>	<b>\$152</b>
Costos de registro y otros impuestos	\$152
Impuestos por transferencia de título	
<b>F. Pagos anticipados</b>	<b>\$1,352</b>
Impuestos sobre la propiedad ( meses)	
Pago anticipado de intereses (\$23.44 diarios durante 15 días a la tasa de 4.00%)	\$352
Prima del seguro de hipoteca ( meses)	
Prima del seguro de la vivienda ( 12 meses)	\$1,000
<b>G. Pago inicial de la cuenta en depósito al cierre</b>	
Impuestos sobre la propiedad de por mes durante meses	
Seguro de hipoteca de por mes durante meses	
Seguro de la vivienda de por mes durante meses	
<b>H. Otros</b> <b>\$1,436</b>	
Título - Póliza del título de propiedad del propietario (opcional)	\$1,436
<b>I. TOTAL DE OTROS COSTOS (E + F + G + H)</b> <b>\$2,940</b>	
<b>J. TOTAL DE COSTOS DE CIERRE</b> <b>\$8,791</b>	
D + I	\$8,791
<b>Cálculo del dinero en efectivo para el cierre</b> <b>3</b>	
Total de costos de cierre (J)	\$8,791
Costos de cierre financiados (pagados del monto del préstamo)	\$0
Pago inicial/Fondos del deudor	\$29,000
Depósito	-\$10,000
Fondos para el deudor	\$0
Créditos del vendedor	\$0
Ajustes y otros créditos	\$0
<b>Dinero en efectivo estimado para el cierre</b>	<b>\$27,791</b>
<b>D. COSTOS TOTALES DEL PRÉSTAMO (A + B + C)</b> <b>\$5,851</b>	
<b>Tabla de pagos ajustables (PA)</b> <b>4</b>	
¿Pago de interés solamente?	SÍ para los primeros 60 pagos
¿Pagos opcionales?	NO
¿Pagos escalonados?	NO
¿Pagos estacionales?	NO
<b>Pagos mensuales de capital e intereses</b>	
Primer cambio/Monto	\$1,028 - \$1,359 en el pago 61
Cambios subsiguientes	Cada tres años
Pago máximo	\$2,068 a partir del pago 169
<b>Tabla de tasa de interés ajustable (TIA)</b> <b>5</b>	
Índice + Margen	MIA + 4%
Tasa de interés inicial	4%
Tasa de interés mínima/máxima	3.25%/12%
<b>Frecuencia de los cambios</b>	
Primer cambio	A partir del mes 61
Cambios subsiguientes	Cada 36 meses después del primer cambio
<b>Límites de cambios en la tasa de interés</b>	
Primer cambio	2%
Cambios subsiguientes	2%
ESTIMACIÓN DE PRÉSTAMO	
PÁGINA 2 DE 3 - N.º DEL PRÉSTAMO 123456789	

# Page 3 of Spanish Loan Estimate

**Información adicional sobre este préstamo**

<b>PRESTAMISTA</b> N.º DE NMLS/ LICENCIA DE ... <b>AGENTE DE PRÉSTAMO</b> N.º DE NMLS/ LICENCIA DE ... <b>CORREO ELECTRÓNICO</b> TELÉFONO	Ficus Bank Joe Smith 12345 joesmith@ficusbank.com 123-456-7890	<b>CORREDOR HIPOTECARIO</b> N.º DE NMLS/ LICENCIA DE ... <b>AGENTE DE PRÉSTAMO</b> N.º DE NMLS/ LICENCIA DE ... <b>CORREO ELECTRÓNICO</b> TELÉFONO
--	--	---

**Comparaciones** **Utilice estas medidas para comparar este préstamo con otros.**

<b>En 5 años</b>	\$54,944	Total que habrá pagado en capital, intereses, seguro hipotecario y costos del préstamo.
	\$0	Capital que habrá pagado.
<b>Tasa porcentual anual (APR)</b>	4.617%	Sus costos durante el plazo del préstamo expresados como una tasa. Esta no es su tasa de interés.
<b>Total de intereses pagados a lo largo del plazo del préstamo (TIP)</b>	81.18%	El monto total de intereses que pagará durante el plazo del préstamo como porcentaje del monto del préstamo.

**Otras consideraciones**

**Administración del préstamo** Nuestra intención es  
 brindarle servicios de administración de su préstamo. De ser así, usted emitirá los pagos a nuestro nombre.  
 transferir los servicios de administración de su préstamo.

**Pago atrasado** Si su pago presenta un retraso de más de 15 días, le cobraremos un recargo de 5% sobre el monto total de los intereses y el capital que paga mensualmente.

**Refinanciamiento** El refinanciamiento de este préstamo dependerá de su situación financiera futura, del valor de la propiedad y de las condiciones del mercado. Es posible que no se le pueda refinarciar este préstamo.

**Seguro de la vivienda** Este préstamo exige un seguro de la vivienda, que puede obtenerse de una empresa que usted seleccione y que nosotros consideremos aceptable.

**Supuestos** Si usted vende o transfiere esta propiedad a otra persona,  
 permitiremos, en determinadas condiciones, que esta persona asuma este préstamo con sus términos y condiciones originales.  
 no permitiremos que se asuma este préstamo con sus términos y condiciones originales.

**Valoración de la vivienda** Es posible que pidamos una valoración de la vivienda para determinar el valor de la propiedad y que le cobremos por esta valoración de la vivienda. Inmediatamente, le daremos una copia de la valoración aunque su préstamo no se cierre. Puede pagar para que se haga otra valoración de la vivienda más para su uso personal y esta correrá por su cuenta.

**Confirmación de recepción**

Al firmar, usted solo confirma que ha recibido este formulario. No es necesario que acepte este préstamo por el hecho de haber firmado o recibido este formulario.

_____ Firma del solicitante	_____ Fecha	_____ Firma del cosolicitante	_____ Fecha
--------------------------------	----------------	----------------------------------	----------------

ESTIMACIÓN DE PRÉSTAMO PÁGINA 3 DE 3 • N.º DEL PRÉSTAMO 123456789

**1 Detalles del prestamista - Lender Details:**

Provides basic contact and identification information for the Lender - Prestamista and Mortgage Broker - Corredor hipotecario, if needed.

**2 Comparaciones - Comparisons:**

Provides three different ways a consumer can compare one loan to another – the total costs paid and principal paid in 5 years (*In 5 Years - En 5 años*), the Annual Percentage Rate (APR) - *Tasa porcentual anual*, and the Total Interest Percentage (TIP) - *Total de intereses pagados a lo largo del plazo del préstamo* or the total interest paid over the life of the loan as a percentage of the original Loan Amount - *Monto del préstamo*.

**3 Otras consideraciones - Other Considerations:**

Includes several current and new disclosure statements required by the Dodd-Frank Act.

**4 Confirmación de recepción - Confirm Receipt (optional):**

Allows for consumer signatures to document receipt of the disclosure.

## Spanish Closing Disclosure Details

To enable comparison with the Loan Estimate, the Closing Disclosure uses the same design principles, basic structure, and format as the Loan Estimate. The matching of these design elements was particularly important because the Closing Disclosure must provide significantly more information – often in significantly greater detail – than the Loan Estimate, such as an itemized summary of the borrower’s and seller’s transaction. One goal of the matching was to help consumers feel less overwhelmed as they encountered a longer, more detailed disclosure because they would recognize the opening page and the overall structure and format. In short, they could build on an existing cognitive map based on the Loan Estimate.

The basic structure of the Closing Disclosure is as follows:

- **Page 1** of the Closing Disclosure essentially mirrors page 1 of the Loan Estimate for ease of comparison. Like page 1 of the Loan Estimate, it gives a basic summary of the *Loan Terms* and affordability information (*Projected Payments* and *Costs to Close*).
- **Page 2** of the Closing Disclosure, like page 2 of the Loan Estimate, provides information about *Closing Costs*, but in significantly more detail because it records more detail regarding the loan and the real estate transaction.
- In contrast to the Loan Estimate, **page 3** of the Closing Disclosure provides a *Calculating Cash to Close* table and detailed *Summaries of Transactions for Borrowers and Sellers*. The table is an expanded version of the *Calculating Cash to Close* table from the Loan Estimate. The table helps the borrower place the previous page of *Costs at Closing* into the larger context of the other elements that are included when determining the *Cash to Close*, such as the down payment. It also documents changes in the *Cash to Close* between the Loan Estimate and the Closing Disclosure and briefly explains why the change occurred or where the detail of the change is found on the disclosure. It also notes when a violation of the regulatory limitations on increases from the estimated charges has occurred. In combination with page 2, the *Summaries of Transactions* document the loan and real estate transaction fees for both the borrower and seller. They include items not present on the Loan Estimate, such as prorated property costs paid at closing or whether the seller’s loans are paid off.
- **Pages 4 and 5** are similar to page 3 of the Loan Estimate. Like that page, they provide statements required by statute and additional useful information. The section titled *Loan Disclosures* on page 4 provides loan-specific disclosures for *Assumption*, *Demand Feature*, *Late Payment*, *Negative Amortization*, *Partial Payments*, *Security Interest*, and *Escrow Account*. It also includes the *Adjustable Payment (AP) Table* and the *Adjustable Interest Rate (AIR) Table*, if needed. The section titled *Loan Calculations* on page 5 provides a chart of loan-specific calculations, including *Total of Payments*, *Finance Charge*, *Amount Financed*, *Annual Percentage Rate (APR)*, and *Total Interest Percentage (TIP)*. The page also provides

more general disclosures in a section titled *Other Disclosures*, including disclosures for *Appraisal, Contract Details, Liability after Foreclosure, Loan Acceptance, Refinance, and Tax Deductions*.

- The Spanish translation results in one additional page in order to accommodate the text expansion of approximately 20% for English to Spanish translations.<sup>16</sup> **Page 6** contains a *Contact Information* table for the lender, mortgage broker, two real estate brokers, and a settlement agent. The page also includes a *Questions* box to refer consumers to the CFPB website and others in the *Contact Information* table. An optional signature line allows the lender to document receipt of the disclosure.

As with the Loan Estimate, the Closing Disclosure reduces the number of pages the consumer would receive during the settlement process. By our calculation, the six-page Closing Disclosure replaces the three-page HUD-1, the two-page Truth in Lending disclosure, and several additional separate and/or new disclosures, which potentially could have resulted in at least seven additional pages. These separate disclosures include the new disclosures required by the Dodd-Frank Act: (1) *Total Interest Percentage*, (2) *Negative Amortization*, (3) *Partial Payments*, (4) *Escrow Account*, and (5) *Liability after Foreclosure*.

---

<sup>16</sup> For estimates of how translation affects the text length, see <http://www.universaldialog.com/expand.html>

## Page 1 of Spanish Closing Disclosure

### 1 **Detalles del préstamo - Loan**

**Details:** Shows transaction information.

### 2 **Términos del préstamo - Loan**

**Terms:** Shows the basic *Loan Terms - Términos del préstamo*, whether they may increase or change, and the timing and highest possible change.

### 3 **Pagos proyectados - Projected**

**Payments:** Shows affordability information, including how and when *Monthly Principal & Interest - Pago mensual de intereses y capital* payments can change over time, an estimate of *Taxes, Insurance & Assessments - Impuestos, seguro, y evaluaciones* estimados for the property, and the *Estimated Total Monthly Payment - Pago total mensual*, including if taxes and insurance are escrowed or excluded from the loan payment.

### 4 **Costos al momento del cierre -**

**Costs at Closing:** This section shows another aspect of affordability in order to purchase the house.

### 5 **Costos de cierre - Closing Costs:**

Shows the total of *Loan Costs - costos del préstamo* and *Other Costs - otros costos* from page 2 – and allows shopping on the basis of the cost of getting a mortgage.

### 6 **Dinero en efectivo para el cierre -**

**Cash to Close:** Shows the additional cost to close the loan and the real estate transaction.

*Este formulario es una declaración sobre los términos y condiciones finales del préstamo y los costos de cierre. Compare este documento con su Estimación de Préstamo.*

---

**Información sobre el cierre**

Fecha de emisión 4/15/2013  
 Fecha de cierre 4/15/2013  
 Fecha de desembolso 4/15/2012  
 Agente a cargo de la operación de cierre Epsilon Title Co.  
 N.º de Archivo 12-3456  
 Inmueble 456 Somewhere Ave  
 Anytown, ST 12345  
 Precio de venta \$180,000

**Información sobre la transacción**

Deudor Michael Jones and Mary Stone  
 123 Anywhere Street  
 Anytown, ST 12345  
 Vendedor Steve Cole and Amy Doe  
 321 Somewhere Drive  
 Anytown, ST 12345  
 Prestamista Ficus Bank

**Información sobre el préstamo**

Plazo del préstamo 30 años  
 Finalidad Adquisición por compra  
 Producto Tasa fija  
 Tipo de préstamo  Convencional  FHA  
 VA   
 N.º del préstamo 123456789  
 N.º de MIC 000654321

---

**Términos del préstamo**

Monto del préstamo	\$162,000	¿Puede aumentar este monto después del cierre?	NO
Tasa de interés	3.875%		NO
Pago mensual de intereses y capital <small>Consulte la sección de pagos proyectados para saber el total estimado de su pago mensual</small>	\$761.78		NO
<b>¿Tiene el préstamo estas características?</b>			
Multa por pago anticipado	SÍ	• Hasta \$3,240 si usted paga el préstamo en su totalidad durante los primeros 2 años	
Cuota extraordinaria			NO

**3**

---

**Pagos proyectados**

Cálculo de los pagos	Años 1 a 7	Años 8 a 30
Capital e intereses	\$761.78	\$761.78
Seguro hipotecario	+ 82.35	+ —
Depósito estimado para impuestos y seguros de la vivienda <small>El monto puede aumentar con el paso del tiempo</small>	+ 206.13	+ 206.13
<b>Pago total mensual estimado</b>	<b>\$1,050.26</b>	<b>\$967.91</b>

**3**

---

**Impuestos, seguro y evaluaciones estimados**  
El monto puede aumentar con el paso del tiempo. Consulte los detalles en la página 4.

\$356.13 por mes

**Esta estimación incluye**

Impuestos sobre la propiedad  
 Seguro de la vivienda  
 Otro: Obligaciones de la Asociación de Propietarios

Consulte en la página 4 los detalles de la cuenta de depósito para impuestos y seguros. Deberá pagar por separado los demás costos.

**¿En depósito?**

SÍ  
SÍ  
NO

---

**Costos al momento del cierre**

5 <b>Costos de cierre</b>	\$9,712.10	Incluye \$4,694.05 por costos del préstamo + \$5,018.05 por otros costos – \$0 por créditos del prestamista. Consulte los detalles en la página 2.
6 <b>Dinero en efectivo para el cierre</b>	\$14,147.26	Incluye costos de cierre. Consulte los detalles en Cálculo del dinero en efectivo para el cierre en la página 3.

**4**

---

DECLARACIÓN DE CIERRE
PÁGINA 1 DE 6 - N.º DEL PRÉSTAMO 123456789



# Page 2 of Spanish Closing Disclosure

Detalles de los costos de cierre				
Costos del préstamo		Pagados por el deudor		Pagados por el vendedor
		Al cierre	Antes del cierre	Al cierre
<b>A. Gastos por tramitación</b>		<b>\$1,802.00</b>		
01	0.25 % del monto del préstamo (Puntos)	\$405.00		
02	Cargo por el estudio del crédito	\$1,097.00		
03	Cargo por la solicitud del préstamo	\$300.00		
04				
05				
06				
07				
08				
<b>B. Servicios que el deudor no contrato</b>		<b>\$236.55</b>		
01	Cargo por control de zonas de inundación para Info Co.	\$31.75		
02	Cargo por determinación de zonas de inundación para Info Co.	\$20.00		
03	Cargo por fiscalización tributaria para Info Co.	\$75.00		
04	Cargo por informe de crédito para Information Inc		\$29.80	
05	Cargo por investigación sobre situación tributaria para Info Co.	\$45.00		
06	Cargo por valoración de la vivienda para John Smith Appraisers Inc.			\$405.00
07				
08				
09				
<b>C. Servicios que el deudor contrato</b>		<b>\$2,655.50</b>		
01	Cargo por inspección de plagas para Pests Co.	\$120.50		
02	Cargo por peritaje (suelos) para Surveyors Co.	\$85.00		
03	Título - Estudio de títulos de propiedad para Epsilon Title Co.	\$800.00		
04	Título - Garantía provisional de seguro del título de propiedad para Epsilon Title Co.	\$650.00		
05	Título - Honorarios del agente a cargo de la operación del título de inmueble para Epsilon Title Co.	\$500.00		
06	Título - Póliza del prestamista para Epsilon Title Co.	\$500.00		
07				
<b>D. COSTOS TOTALES DEL PRÉSTAMO (pagados por el deudor)</b>		<b>\$4,694.05</b>		
Subtotales de los costos del préstamo (A + B + C)		\$4,664.25	\$29.80	
<b>Otros costos</b>				
<b>E. Impuestos y otros cargos gubernamentales</b>		<b>\$85.00</b>		
01	Costos de registro y otros impuestos por registro del título de Inmueble: \$40.00 Hipoteca: \$45.00	\$85.00		
02	Impuesto a las transferencias estatales para Any State		\$950.00	
<b>F. Pagos anticipados</b>		<b>\$2,120.80</b>		
01	Impuestos sobre la propiedad (6 meses) para Any County USA	\$631.80		
02	Pago anticipado de intereses (\$17.44 por día del 4/15/13 al 5/1/13)	\$279.04		
03	Prima del seguro de hipoteca ( meses)			
04	Prima del seguro de la vivienda (12 meses) para Info Co.	\$1,209.96		
05				
<b>G. Pago inicial de la cuenta en depósito para impuestos y seguros de la vivienda</b>		<b>\$412.25</b>		
01	Impuestos sobre la propiedad de \$109.30 por mes, durante 2 meses	\$201.66		
02	Seguro de hipoteca de por mes, durante meses			
03	Seguro de la vivienda de \$100.83 por mes, durante 2 meses	\$210.60		
04				
05				
06				
07	Ajuste acumulado	- 0.01		
<b>H. Otros</b>		<b>\$2,400.00</b>		
01	Aporte de capital de la HOA para HOA Acre Inc.	\$500.00		
02	Comisión de Bienes Raíces para Alpha Real Estate Broker		\$5,700.00	
03	Comisión de Bienes Raíces para Omega Real Estate Broker		\$5,700.00	
04	Tarifa de garantía de la vivienda para XYZ Warranty Inc.		\$450.00	
05	Tarifa de inspección de la vivienda para Engineers Inc.	\$750.00		\$750.00
06	Tarifa de procesamiento de HOA para HOA Acre Inc.	\$150.00		
07	Título - Póliza del título de propiedad del propietario (opcional) para Epsilon Title Co.	\$1,000.00		
08				
<b>I. TOTAL DE OTROS COSTOS (pagados por el deudor)</b>		<b>\$5,018.05</b>		
Subtotales de otros costos (E + F + G + H)		\$5,018.05		
<b>J. TOTAL DE COSTOS DE CIERRE (pagados por el deudor)</b>		<b>\$9,712.10</b>		
Subtotales de costos de cierre (D + I)		\$9,682.30	\$29.80	\$12,800.00
Créditos del prestamista				\$750.00
				\$405.00

**1 Costos del préstamo - Loan Costs:** Lists the costs that are generally associated with the loan, including the lender's charges and required services. These required services are grouped by services for which the consumer can or cannot shop for through their own service providers. It also identifies who paid the costs and when.

**2 Otros costos - Other Costs:** Lists the costs that are generally not determined by the lender, including taxes, insurance premiums, and optional services. It also identifies who paid the costs and whether the cost was paid at or before the closing.

**3 Total de costos de cierre - Total Closing Costs:** Calculates the Closing Costs - Costos de cierre for the borrower factoring in any Lender Credits - Créditos del prestamista, including credits for when a violation of the regulatory limits on increases from the estimated charges has occurred.

## Page 3 of Spanish Closing Disclosure

### 1 **Calculo del dinero en efectivo para el cierre - Calculating Cash to Close:**

Like the *Loan Estimate - Estimación de Préstamo*, this section lists the elements that make up the *Cash to Close - Dinero en efectivo para el cierre*, including any deposit and credits. It lists the amounts from the *Loan Estimate - Estimación de Préstamo* and the final costs to show changes and briefly explains why the change occurred or where more detail is located on the disclosure. It also notes when a violation of the regulatory limitations on increases from the estimated charges occurred.

### 2 **Resúmenes de transacciones - Summaries of Transactions:**

A carry-over from the HUD-1 revised to have more plain language, it summarizes the distribution of funds, including adjustments in amounts owed to the borrower or seller for prorated property costs, such as property taxes.

Cálculo del dinero en efectivo para el cierre			1	esta tabla para saber lo que ha cambiado en su Estimación de Préstamo.
	Estimación del Préstamo	Final		¿Esto cambió?
Total de costos de cierre (J)	\$8,054.00	\$9,712.10	SI	• Consulte <b>Costos totales del préstamo (D)</b> y <b>Total de otros costos (I)</b>
Costos de cierre pagados antes del cierre	\$0	-\$29.80	SI	• Pagó estos costos de cierre <b>antes del cierre</b>
Costos de cierre financiados (pagados del monto del préstamo)	\$0	\$0	NO	
Pago inicial/Fondos del deudor	\$18,000.00	\$18,000.00	NO	
Depósito	-\$10,000.00	-\$10,000.00	NO	
Fondos para el deudor	\$0	\$0	NO	
Créditos del vendedor	\$0	-\$2,500.00	SI	• Consulte créditos del vendedor en la <b>sección L</b>
Ajustes y otros créditos	\$0	-\$1,035.04	SI	• Consulte los detalles en las <b>secciones K y L</b>
<b>Dinero en efectivo para el cierre</b>	<b>\$16,054.00</b>	<b>\$14,147.26</b>		

Resúmenes de transacciones		2	utilice esta tabla para ver el resumen de su transacción.
TRANSACCIONES DEL DEUDOR		TRANSACCIONES DEL VENDEDOR	
<b>K. Pagaderos por el deudor al cierre</b>	<b>\$189,762.30</b>	<b>M. Pagaderos al vendedor al cierre</b>	<b>\$180,080.00</b>
01 Precio de venta de la propiedad	\$180,000.00	01 Precio de venta de la propiedad	\$180,000.00
02 Precio de venta de cualquier propiedad personal incluida en la venta		02 Precio de venta de cualquier propiedad personal incluida en la venta	
03 Costos de cierre pagados al cierre (J)	\$9,682.30	03	
04		04	
<b>Ajustes</b>		05	
05		06	
06		07	
07		08	
<b>Ajustes para los artículos pagados por el vendedor por anticipado</b>		<b>Ajustes para los artículos pagados por el vendedor por anticipado</b>	
08 Impuestos municipales al		09 Impuestos municipales al	
09 Impuestos del condado al		10 Impuestos del condado al	
10 Evaluaciones estimadas al		11 Evaluaciones estimadas al	
11		12	
12		13	
13		14	
14		15	
15		16	
16		17	
<b>L. Pagado por el deudor, o en su nombre, al cierre</b>	<b>\$175,615.04</b>	<b>N. Pagaderos por el vendedor al cierre</b>	<b>\$115,665.04</b>
01 Depósito	\$10,000.00	01 Depósito excedente	
02 Monto del préstamo	\$162,000.00	02 Costos de cierre pagados al cierre (J)	\$12,800.00
03 Préstamos existentes atribuidos o adquiridos sujetos a		03 Préstamos existentes atribuidos o adquiridos sujetos a	
04		04 Pago del primer préstamo hipotecario	\$100,000.00
05 Crédito del vendedor	\$2,500.00	05 Pago del segundo préstamo hipotecario	
06 Devolución de Epsilon Title Co.	\$750.00	06	
07		07	
<b>Ajustes</b>		08 Crédito del vendedor	\$2,500.00
08		09	
09		10	
10		11	
11		12	
<b>Ajustes para los artículos no pagados por el vendedor</b>		<b>Ajustes para los artículos no pagados por el vendedor</b>	
12 Impuestos municipales del 1/1/13 al 4/14/13	\$365.04	14 Impuestos municipales del 1/1/13 al 4/14/13	\$365.04
13 Impuestos del condado al		15 Impuestos del condado al	
14 Evaluaciones estimadas al		16 Evaluaciones estimadas al	
15		17	
16		18	
17		19	
<b>CÁLCULO</b>		<b>CÁLCULO</b>	
Total pagado por el deudor al cierre (K)	\$189,762.30	Total pagado al vendedor al cierre (M)	\$180,080.00
Total pagado por el deudor, o en su nombre, al cierre (L)	-\$175,615.04	Total pagado por el vendedor al cierre (N)	-\$115,665.04
<b>Dinero en efectivo para el cierre</b>		<b>Dinero en efectivo</b>	
<input checked="" type="checkbox"/> Del Deudor <input type="checkbox"/> Para Deudor	<b>\$14,147.26</b>	<input type="checkbox"/> Del Vendedor <input checked="" type="checkbox"/> Para Vendedor	<b>\$64,414.96</b>

DECLARACIÓN DE CIERRE PÁGINA 3 DE 6 - N° DEL PRÉSTAMO 123456789

# Page 4 of Spanish Closing Disclosure

**Información adicional sobre este préstamo**

**Declaraciones del préstamo**

**1**

**Amortización negativa** (aumento del monto del préstamo)  
De acuerdo con los términos de su préstamo, usted

debe realizar pagos mensuales programados que no incluyen todos los intereses adeudados para ese mes. Como consecuencia, el monto de su préstamo aumentará (amortización negativa) y posiblemente, será más alto que el monto original del préstamo. Los aumentos del monto de su préstamo disminuyen su participación en el patrimonio que usted tiene en este inmueble.

puede tener pagos mensuales que no incluyan todos los intereses adeudados para ese mes. Si los tiene, el monto de su préstamo aumentará (amortización negativa) y, como consecuencia, puede ser más alto que el monto original del préstamo. Los aumentos del monto de su préstamo disminuyen su participación en el patrimonio que usted tiene en este inmueble.

no incluye una característica de amortización negativa.

**Característica de demanda**  
Su préstamo

incluye una característica de demanda, que le permite a su prestamista exigir el pago anticipado del préstamo. Debe revisar su pagaré para obtener detalles.

no incluye una característica de demanda.

**Cuenta en depósito para impuestos y seguros de la vivienda**  
**Por ahora**, su préstamo

tendrá una cuenta en depósito para impuestos y seguros de la vivienda (también llamada cuenta de "depósito en garantía" o cuenta de "fideicomiso") para pagar los costos de la propiedad que se detallan a continuación. Sin una cuenta en depósito para impuestos y seguros de la vivienda, usted pagaría estos costos directamente, tal vez en un pago grande o en dos pagos al año. Es posible que su prestamista sea responsable por las sanciones y los intereses que resulten de la falta de pago.

**2**

Con cuenta en depósito para impuestos y seguros de la vivienda	
Costos de la propiedad con una cuenta en depósito durante el primer año	\$2,473.56
Costos de la propiedad sin una cuenta en depósito durante el primer año	\$1,800.00
Pago inicial para la cuenta en depósito	\$412.25
Pago mensual para la cuenta en depósito	\$206.13

Monto total estimado durante el primer año para sus costos de la propiedad con depósito:  
*Seguro de la vivienda*  
*Impuestos sobre la propiedad*

Monto total estimado durante el primer año para sus costos de la propiedad sin depósito:  
*Obligaciones de la Asociación de Propietarios*  
Es posible que tenga que pagar otros costos de la propiedad.

Respaldo para la cuenta en depósito que usted paga al cierre. Consulte la Sección G en la página 2.

El monto incluido en su pago mensual total.

no tendrá una cuenta de depósito porque  usted la rechazó  su prestamista no la ofrece. Usted debe pagar directamente los costos de la propiedad, como impuestos y el seguro de la vivienda. Comuníquese con su prestamista para preguntarle si su préstamo puede contar con una cuenta de depósito para impuestos y seguro de la vivienda.

Sin cuenta en depósito para impuestos y seguros de la vivienda	
Costos de la propiedad estimados durante el primer año	Monto total estimado durante el primer año. Usted debe pagar estos costos directamente, posiblemente en un pago grande o en dos pagos al año.
Comisión por renuncia a la cuenta en depósito	

**En el futuro**,  
Es posible que los costos de la propiedad cambien y como consecuencia, su pago a la cuenta en depósito para impuestos y seguros de la vivienda podrá variar. Puede cancelar su cuenta en depósito, pero si lo hace, debe pagar sus costos de la propiedad directamente. Si no paga los impuestos sobre la propiedad, el estado o gobierno local pueden 1) imponer multas o sanciones o 2) imponer un embargo fiscal a esta propiedad. Si no paga ninguno de estos costos de la propiedad, su prestamista puede 1) agregar los montos al saldo de su préstamo, 2) agregar una cuenta en depósito a su préstamo o 3) exigirle que pague un seguro para la propiedad, que el prestamista adquiere en su nombre, y que tal vez, tendrá un costo más alto y le brindará menos beneficios que el que podría adquirir por su cuenta.

DECLARACIÓN DE CIERRE

PÁGINA 4 DE 6 - N.º DEL PRÉSTAMO 123456789

**1** **Declaraciones del préstamo - Loan Disclosures:** Includes several current and newly required disclosure statements, such as *Negative Amortization - Amortización negativa* and *Demand Feature - Característica de demanda*.

**2** **Cuenta en depósito para impuestos y seguros de la vivienda - Escrow Account:** Provides details about the *Escrow Account* and an estimate of costs due if there is no *Escrow Account*.

**1 Declaraciones del préstamo - Loan Disclosures:** Includes several current and newly required disclosure statements, such as *Security Interest - Intereses de garantía, Late Payment - Pago atrasado, Partial Payments - Pagos parciales*, and *Assumption - Supuestos*.

**2 Cálculos del préstamo - Loan Calculations:** Consolidates several new and previously required disclosures under TILA. The section does not contain the Approximate Cost of Funds that was included in the Proposed Rule, because the CFPB determined to delete this item from the disclosure based on consumer testing results and public comments.

**3 Otras declaraciones - Other Disclosures:** Includes several current and newly-required disclosure statements, such as *Loan Acceptance - Aceptación del préstamo, Tax Deductions - Deducciones tributarias, Contract Details - Detalles del contrato, Refinance - Refinanciamiento, Liability after Foreclosure - Responsabilidad luego de la ejecución de la hipoteca*, and *Appraisal - Valoración de la vivienda*.

**4 ¿Tiene preguntas? - Questions:** Lists the CFPB website as a general resource and refers consumers to the *Contact Information - Información de contacto* table.

<p><b>Declaraciones del préstamo</b> <span style="float: right;">1</span></p> <p><b>Intereses de garantía</b> Se le otorga un interés de garantía en 456 Somewhere Ave., Anytown, ST 12345</p> <p>Usted puede perder esta propiedad si no cumple con sus pagos o con el resto de las obligaciones de este préstamo.</p> <p><b>Pago atrasado</b> Si su pago presenta un retraso de más de 15 días, le cobraremos un recargo de 5% sobre el monto total de los intereses y el capital que paga mensualmente.</p> <p><b>Pagos parciales</b> Su prestamista  <input type="checkbox"/> aceptará pagos menores al monto total adeudado (pagos parciales) y se aplicarán a su préstamo.  <input type="checkbox"/> podrá mantenerlo en una cuenta separada hasta que cubra el resto del pago y luego aplicará el pago total a su préstamo.  <input checked="" type="checkbox"/> no acepta pagos parciales.                  Si este préstamo se vende, es posible que su nuevo prestamista tenga una política diferente.</p> <p><b>Supuestos</b> Si usted vende o transfiere esta propiedad a otra persona su prestamista,  <input type="checkbox"/> permitirá, en determinadas condiciones, que esta persona asuma este préstamo con sus términos y condiciones originales.  <input checked="" type="checkbox"/> no permitirá que se asuma este préstamo con sus términos y condiciones originales.</p>	<p><b>Otras declaraciones</b> <span style="float: right;">3</span></p> <p><b>Deducciones tributarias</b> Si adquiere una deuda mayor al valor de este inmueble, los intereses del monto del préstamo que sean superiores al valor real de mercado no se deducirán de sus impuestos federales sobre la renta. Debería consultar con un asesor fiscal para obtener más información.</p> <p><b>Detalles del contrato</b> Consulte su pagaré y su instrumento de garantía para obtener información sobre lo siguiente:                  • ¿Qué sucede si no hace sus pagos?                  • ¿Qué es un incumplimiento de pago del préstamo?                  • Situaciones en que su prestamista puede exigirle que pague el préstamo por anticipado.                  • Las reglas para realizar pagos antes de la fecha estipulada.</p> <p><b>Refinanciamiento</b> El refinanciamiento de este préstamo dependerá de su situación financiera futura, del valor de propiedad y de las condiciones del mercado. Es posible que no se le pueda refinar este préstamo.</p> <p><b>Responsabilidad luego de la ejecución de la hipoteca</b> Si su prestamista ejecuta la hipoteca sobre este inmueble y dicha ejecución no cubre el monto de saldo pendiente de este préstamo:  <input checked="" type="checkbox"/> la ley estatal puede protegerlo contra la responsabilidad de pagar el saldo pendiente. Si vuelve a financiar o adquiere otra deuda sobre este inmueble, puede perder esta protección y tendrá que pagar la deuda restante después de la ejecución de la hipoteca. Le recomendamos que consulte con un abogado para obtener más información.  <input type="checkbox"/> la ley estatal no lo protege contra la responsabilidad de pagar el saldo pendiente.</p> <p><b>Valoración de la vivienda</b> Si la propiedad tuvo una valoración para su préstamo, su prestamista debe proporcionarle una copia sin costo adicional, al menos tres días antes del cierre. Si aún no la ha recibido, comuníquese con su prestamista utilizando la información que se le brinda en la página 6.</p>										
<p><b>Cálculos del préstamo</b> <span style="float: right;">2</span></p> <table border="1"> <tr> <td><b>Pagos totales.</b> Total que habrá pagado después de haber hecho todos los pagos de capital, intereses, seguro hipotecario y costos del préstamo, según lo programado.</td> <td style="text-align: right;">\$285,803.36</td> </tr> <tr> <td><b>Cargo financiero.</b> El monto en dólares que le costará el préstamo.</td> <td style="text-align: right;">\$118,830.27</td> </tr> <tr> <td><b>Monto financiado.</b> El monto en dólares disponible después de que pague el cargo financiero inicial.</td> <td style="text-align: right;">\$162,000.00</td> </tr> <tr> <td><b>Tasa porcentual anual (APR).</b> Sus costos durante el plazo del préstamo, expresados como una tasa. Esta no es su tasa de interés.</td> <td style="text-align: right;">4.174%</td> </tr> <tr> <td><b>Total de intereses pagados (TIP).</b> El monto total de los intereses que pagará durante el plazo del préstamo, como porcentaje del monto total del préstamo.</td> <td style="text-align: right;">69.46%</td> </tr> </table>	<b>Pagos totales.</b> Total que habrá pagado después de haber hecho todos los pagos de capital, intereses, seguro hipotecario y costos del préstamo, según lo programado.	\$285,803.36	<b>Cargo financiero.</b> El monto en dólares que le costará el préstamo.	\$118,830.27	<b>Monto financiado.</b> El monto en dólares disponible después de que pague el cargo financiero inicial.	\$162,000.00	<b>Tasa porcentual anual (APR).</b> Sus costos durante el plazo del préstamo, expresados como una tasa. Esta no es su tasa de interés.	4.174%	<b>Total de intereses pagados (TIP).</b> El monto total de los intereses que pagará durante el plazo del préstamo, como porcentaje del monto total del préstamo.	69.46%	<p><b>4</b></p> <p><b>¿Tiene preguntas?</b> Si tiene preguntas sobre los términos y costos del préstamo que se establecen en este formulario, utilice la información a continuación. Para obtener más información o para presentar un reclamo, comuníquese con la Oficina para la Protección Financiera del Consumidor en <a href="http://www.consumerfinance.gov/mortgage-closing">www.consumerfinance.gov/mortgage-closing</a>.</p>
<b>Pagos totales.</b> Total que habrá pagado después de haber hecho todos los pagos de capital, intereses, seguro hipotecario y costos del préstamo, según lo programado.	\$285,803.36										
<b>Cargo financiero.</b> El monto en dólares que le costará el préstamo.	\$118,830.27										
<b>Monto financiado.</b> El monto en dólares disponible después de que pague el cargo financiero inicial.	\$162,000.00										
<b>Tasa porcentual anual (APR).</b> Sus costos durante el plazo del préstamo, expresados como una tasa. Esta no es su tasa de interés.	4.174%										
<b>Total de intereses pagados (TIP).</b> El monto total de los intereses que pagará durante el plazo del préstamo, como porcentaje del monto total del préstamo.	69.46%										
<p>DECLARACIÓN DE CIERRE <span style="float: right;">PÁGINA 5 DE 6 • N.º DEL PRÉSTAMO 123456789</span></p>											

## Page 6 of Spanish Closing Disclosure

Información de contacto					
	Prestamista	Corredor hipotecario	Corredor inmobiliario (Deudor)	Corredor inmobiliario (Vendedor)	Agente a cargo de la operación de cierre
Nombre	Ficus Bank		Omega Real Estate Broker Inc.	Alpha Real Estate Broker Co.	Epsilon Title Co.
Dirección	4321 Random Blvd. Somecity, ST 12340		789 Local Lane Sometown, ST 12345	987 Suburb Ct. Someplace, ST 12340	123 Commerce Pl. Somecity, ST 12344
N.º de NMLS					
N.º de licencia de ST			Z765416	Z61456	Z61616
Contacto	Joe Smith		Samuel Green	Joseph Cain	Sarah Arnold
ID. de contacto de NMLS	12345				
ID. de contacto de licencia de ST			P16415	P51461	PT1234
Correo electrónico	joesmith@ficusbank.com		sam@omegare.biz	joe@alphare.biz	sarah@epsilontitle.com
Teléfono	123-456-7890		123-555-1717	321-555-7171	987-555-4321

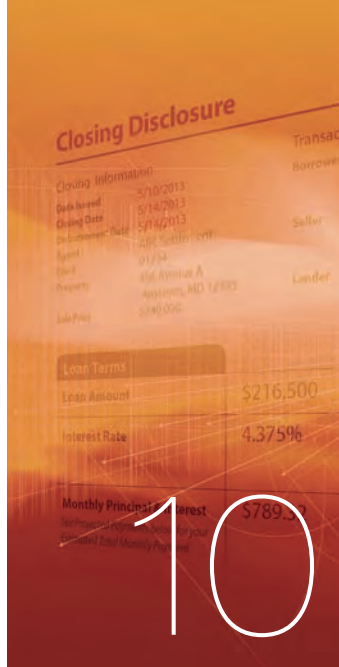
Confirmación de recepción			
Al firmar, usted solo confirma que ha recibido este formulario. No es necesario que acepte este préstamo por el hecho de haber firmado o recibido este formulario.			
Firma del solicitante	Fecha	Firma del cosolicitante	Fecha

DECLARACIÓN DE CIERRE PÁGINA 6 DE 6 • N.º DEL PRÉSTAMO 123456789

**1 Información de contacto - Contact Information:** Groups Contact Information - Información de contacto in a usable reference table.

**2 Confirmación de recepción - Confirm Receipt (optional):** Allows for consumer signatures to document receipt of the disclosure.





## The Final Refinance Disclosure

The final design of the refinance disclosures builds on the successful designs of the Loan Estimate and the Closing Disclosure. The consumer testing ensured that the refinance disclosures would enable borrowers to identify when they would receive cash and when they would need to pay cash at closing.

### Refinance Loan Estimate Details

The design of the final Loan Estimate for refinance transactions allows sufficient flexibility for the disclosure of fixed rate loans as well as adjustable rate and interest only loans on a standard form. It is also able to show loans with certain other features, such as negative amortization, balloon payments, or a prepayment penalty. The design uses a simple structure for the three-page disclosure that places a one-page summary of the *Loan Terms*, *Projected Payments*, and *Costs at Closing* in front of the detailed information on pages 2 and 3:

- **Page 1** provides a summary of the key *Loan Terms*, *Projected Payments*, and *Costs at Closing*. The page contains separate sections that show the basic *Loan Terms*, including the *Estimated Monthly Principal & Interest Payment* and *Loan Costs*. If any of the basic *Loan Terms* can change after closing, a simple, yet easily visible, “yes” or “no” in bold font and capitalized letters provides that information. A series of bullets in that row provide details about any possible changes, including, for example, specific numbers for how high the change can be and a year for when the change can occur. Two sections provide consumers with affordability information. For example, it provides a schedule of *Projected Payments*. Including the *Estimated Taxes, Insurance & Assessments* on the property.

It also shows the *Costs at Closing*, including *Closing Costs* and *Cash to Close*. In addition, two checkboxes marked “*From*” or “*To*” borrower in the *Estimated Cash to Close* row indicate whether the borrower would receive cash or need to pay cash at closing.

- **Page 2** itemizes the costs associated with the loan and with the real estate transaction. It also provides a *Calculating Cash to Close* table to summarize the transaction costs. A row for *Estimated Cash to Close* with two checkboxes for “*From*” or “*To*” borrower indicates whether the borrower will receive cash or need to pay cash at closing. It also provides Adjustable Interest Rate (AIR) Table and Adjustable Payment (AP) Table when needed.
- **Page 3** provides three figures that borrowers can use to compare loan offers: *In 5 Years*, the *Annual Percentage Rate (APR)*, and the *Total Interest Percentage (TIP)*. It also lists disclosures mandated by statute, including new disclosures required by the Dodd-Frank Act. These disclosures can include *Appraisal*, *Assumption*, *Homeowner’s Insurance*, *Late Payments*, *Loan Acceptance*, *Liability after Foreclosure*, *Refinance*, and *Servicing*. Page 3 has space for an optional signature line so that the lender can document receipt of the disclosure.

The Loan Estimate includes two disclosures required under statutory provisions other than TILA and sections 4 and 5 of RESPA, which are currently typically provided as separate pages, as well as certain new disclosures under the Dodd-Frank Act. For example, the Loan Estimate includes an *Appraisal* disclosure currently required under the Equal Credit Opportunity Act and a *Servicing* disclosure currently required under section 6 of RESPA. The Loan Estimate incorporates the three pages of the current GFE, the two pages of the typical TILA disclosure, as well as the one-page *Appraisal* notice, and the one-page *Servicing* disclosure. Accordingly, the Loan Estimate incorporates at least seven pages of current disclosures into three pages of an integrated disclosure.



# Page 1 of Refinance Loan Estimate

**FICUS BANK**  
4321 Random Boulevard • Somecity, ST 12340 Save this Loan Estimate to compare with your Closing Disclosure.

---

**Loan Estimate**

<b>DATE ISSUED</b>	2/15/2013	<b>LOAN TERM</b>	30 years
<b>APPLICANTS</b>	Michael Jones and Mary Stone	<b>PURPOSE</b>	Refinance
	123 Anywhere Street	<b>PRODUCT</b>	Fixed Rate
	Anytown, ST 12345	<b>LOAN TYPE</b>	<input checked="" type="checkbox"/> Conventional <input type="checkbox"/> FHA <input type="checkbox"/> VA <input type="checkbox"/>
<b>PROPERTY</b>	123 Anywhere Street	<b>LOAN ID #</b>	123456789
	Anytown, ST 12345	<b>RATE LOCK</b>	<input type="checkbox"/> NO <input checked="" type="checkbox"/> YES, until 4/16/2013 at 5:00 p.m. EDT
<b>EST. PROP. VALUE</b>	\$180,000	<small>Before closing, your interest rate, points, and lender credits can change unless you lock the interest rate. All other estimated closing costs expire on 3/4/2013 at 5:00 p.m. EDT</small>	

---

**Loan Terms**

Loan Terms	Can this amount increase after closing?
<b>Loan Amount</b>	<b>NO</b>
<b>Interest Rate</b>	<b>NO</b>
<b>Monthly Principal &amp; Interest</b> <small>See Projected Payments below for your Estimated Total Monthly Payment</small>	<b>NO</b>

---

**Does the loan have these features?**

<b>Prepayment Penalty</b>	<b>NO</b>
<b>Balloon Payment</b>	<b>NO</b>

---

**Projected Payments**

Payment Calculation	Years 1-4	Years 5-30
Principal & Interest	\$737.91	\$737.91
Mortgage Insurance	+ 82	+ —
Estimated Escrow <small>Amount can increase over time</small>	+ 206	+ 206
<b>Estimated Total Monthly Payment</b>	<b>\$1,026</b>	<b>\$944</b>

---

<b>Estimated Taxes, Insurance &amp; Assessments</b> <small>Amount can increase over time</small>	\$206 a month	<b>This estimate includes</b> <input checked="" type="checkbox"/> Property Taxes <input checked="" type="checkbox"/> Homeowner's Insurance <input type="checkbox"/> Other: <small>See Section G on page 2 for escrowed property costs. You must pay for other property costs separately.</small>	<b>In escrow?</b> <b>YES</b> <b>YES</b>
---	------------------	--	---

---

**Costs at Closing**

<b>Estimated Closing Costs</b>	\$5,099	Includes \$3,521 in Loan Costs + \$2,078 in Other Costs – \$500 in Lender Credits. See page 2 for details.
<b>Estimated Cash to Close</b>	\$24,901	Includes Closing Costs. See Calculating Cash to Close on page 2 for details. <input type="checkbox"/> From <input checked="" type="checkbox"/> To Borrower

Visit [www.consumerfinance.gov/mortgage-estimate](http://www.consumerfinance.gov/mortgage-estimate) for general information and tools.

LOAN ESTIMATE PAGE 1 OF 3 • LOAN ID # 123456789

1 **Loan Details:** Shows transaction information and includes a reminder to save the Loan Estimate to compare with the Closing Disclosure.

2 **Loan Terms:** Shows the basic terms of the loan, whether they may increase or change, and the timing and highest change possible.

3 **Projected Payments:** Shows affordability information, including how and when the monthly payment can change over time, an estimate of *Taxes, Insurance & Assessments* for the property, and the *Estimated Total Monthly Payment*, including if taxes and insurance are escrowed or excluded from the loan payment.

4 **Costs at Closing:** This section shows another aspect of affordability in order to purchase the house.

5 **Estimated Closing Costs:** Shows the total of *Loan Costs* and *Other Costs* from page 2 – and allows shopping on the basis of the cost of obtaining the mortgage loan.

6 **Estimated Cash to Close:** Shows the additional cost to close the loan and the real estate transaction, including checkboxes for whether the cash is to or from the borrower.

## Page 2 of Refinance Loan Estimate

**1 Loan Costs:** Lists the costs that are generally associated with the loan, including the lender’s charges and required services. These required services are grouped by services for which consumers can or cannot shop for through their own service providers.

**2 Other Costs:** Lists the costs that are generally not determined by the lender, including taxes, insurance premiums, and optional services.

**3 Calculating Cash to Close Table:** Lists the costs that make up the *Cash to Close*, including the *Loan Amount*, *Total Closing Costs*, and *Estimated Total Payoffs and Payments*. Includes a row with checkboxes for *Estimated Cash to Close “From”* and *“To” borrower*. Also has a row to show *Estimated Closing Costs Financed*.

Closing Cost Details	
<b>Loan Costs</b>	<b>1</b>
<b>A. Origination Charges</b>	<b>\$1,950</b>
.5 % of Loan Amount (Points)	\$750
Application Fee	\$250
Origination Fee	\$450
Underwriting Fee	\$500
<b>B. Services You Cannot Shop For</b> <b>\$635</b>	
Appraisal Fee	\$425
Credit Report Fee	\$30
Flood Determination Fee	\$25
Flood Monitoring Fee	\$45
Tax Monitoring Fee	\$65
Tax Status Research Fee	\$45
<b>C. Services You Can Shop For</b> <b>\$936</b>	
Pest Inspection Fee	\$85
Title – Insurance Binder	\$50
Title – Lender’s Title Policy	\$251
Title – Settlement Agent Fee	\$350
Title – Title Search	\$200
<b>D. TOTAL LOAN COSTS (A + B + C)</b> <b>\$3,521</b>	
<b>Other Costs</b>	<b>2</b>
<b>E. Taxes and Other Government Fees</b>	<b>\$80</b>
Recording Fees and Other Taxes	\$80
Transfer Taxes	
<b>F. Prepays</b>	<b>\$1,585</b>
Homeowner’s Insurance Premium ( 6 months)	\$605
Mortgage Insurance Premium ( 1 months)	\$82
Prepaid Interest (\$17.71 per day for 15 days @ 4.25%)	\$266
Property Taxes ( 6 months)	\$632
<b>G. Initial Escrow Payment at Closing</b> <b>\$413</b>	
Homeowner’s Insurance \$100.83 per month for 2 mo.	\$202
Mortgage Insurance per month for mo.	
Property Taxes \$105.30 per month for 2 mo.	\$211
<b>H. Other</b> <b>\$0</b>	
<b>I. TOTAL OTHER COSTS (E + F + G + H)</b> <b>\$2,078</b>	
<b>J. TOTAL CLOSING COSTS</b> <b>\$5,099</b>	
D + I	\$5,599
Lender Credits	– \$500
<b>Calculating Cash to Close</b> <b>3</b>	
Loan Amount	\$150,000
Total Closing Costs (J)	– \$5,099
Estimated Total Payoffs and Payments	– \$120,000
<b>Estimated Cash to Close</b> <input type="checkbox"/> From <input checked="" type="checkbox"/> To Borrower	<b>\$24,901</b>
Estimated Closing Costs Financed (Paid from your Loan Amount)	\$5,099

# Page 3 of Refinance Loan Estimate

**Additional Information About This Loan**

<b>LENDER</b> NMLS/_ LICENSE ID <b>LOAN OFFICER</b> NMLS/_ LICENSE ID EMAIL PHONE	Ficus Bank  Joe Smith 12345 joesmith@ficusbank.com 123-456-7890	<span style="font-size: 24pt; font-weight: bold;">1</span>	<b>MORTGAGE BROKER</b> NMLS/_ LICENSE ID <b>LOAN OFFICER</b> NMLS/_ LICENSE ID EMAIL PHONE
--	--	--	---

**Comparisons**

**Use these measures to compare this loan with other loans.**

<b>In 5 Years</b>	\$51,932 \$13,788	Total you will have paid in principal, interest, mortgage insurance, and loan costs. Principal you will have paid off.
<b>Annual Percentage Rate (APR)</b>	4.537%	Your costs over the loan term expressed as a rate. This is not your interest rate.
<b>Total Interest Percentage (TIP)</b>	77.28%	The total amount of interest that you will pay over the loan term as a percentage of your loan amount.

**Other Considerations**

**Appraisal** We may order an appraisal to determine the property's value and charge you for this appraisal. We will promptly give you a copy of any appraisal, even if your loan does not close. You can pay for an additional appraisal for your own use at your own cost.

**Assumption** If you sell or transfer this property to another person, we  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.

**Homeowner's Insurance** This loan requires homeowner's insurance on the property, which you may obtain from a company of your choice that we find acceptable.

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

**Loan Acceptance** You do not have to accept this loan because you have received this form or signed a loan application.

**Liability after Foreclosure** Taking this loan could end any state law protection you may currently have against liability for unpaid debt if your lender forecloses on your home. If you lose this protection, you may have to pay any debt remaining even after foreclosure. You may want to consult a lawyer for more information.

**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.

**Servicing** We intend  to service your loan. If so, you will make your payments to us.  to transfer servicing of your loan.

LOAN ESTIMATE PAGE 3 OF 3 • LOAN ID # 123456789

**1 Lender Details:** Provides basic contact and identification information for the *Lender* and *Mortgage Broker*, if needed.

**2 Comparisons:** Provides three different ways a consumer can compare one loan to another – the total costs paid and principal paid in 5 years (*In 5 Years*), the *Annual Percentage Rate (APR)*, and the *Total Interest Percentage (TIP)* or the total interest paid over the life of the loan as a percentage of the original *Loan Amount*.

**3 Other Considerations:** Includes several current and new disclosure statements required by the Dodd-Frank Act.

## Refinance Closing Disclosure Details

To enable comparison with the Loan Estimate, the Closing Disclosure for refinance transactions uses the same design principles, basic structure, and format as the Loan Estimate for refinance transactions. The matching of these design elements was particularly important because the Closing Disclosure must provide significantly more information – often in significantly greater detail – than the Loan Estimate. One goal of the matching was to help consumers feel less overwhelmed as they encountered a longer, more detailed disclosure because they would recognize the opening page and the overall structure and format. In short, they could build on an existing cognitive map based on the Loan Estimate.

The basic structure of the Closing Disclosure is as follows:

- **Page 1** of the Closing Disclosure essentially mirrors page 1 of the Loan Estimate for ease of comparison. Like page 1 of the Loan Estimate, it gives a basic summary of the *Loan Terms* and affordability information (*Projected Payments* and *Costs to Close*). In addition, it repeats the design element of two checkboxes marked “From” or “To” borrower in the *Estimated Cash to Close* row to indicate whether the borrower would receive cash or need to pay cash at closing.
- **Page 2** of the Closing Disclosure, like page 2 of the Loan Estimate, provides information about *Closing Costs*, but in significantly more detail because it records more detail regarding the loan and the real estate transaction. It has only columns for *Borrower-Paid* and *Paid by Others* costs, since a seller is not involved.
- In contrast to the Loan Estimate, **page 3** of the Closing Disclosure provides a *Section K, Payoffs and Payments* to list any disbursements from the loan amount. Below it, the *Calculating Cash to Close* table is similar to the Loan Estimate’s *Calculating Cash to Close* table. It has a column for the *Loan Estimate* and for final costs. A row for *Cash to Close* uses two checkboxes for “From” or “To” borrower for the *Loan Estimate* and the *Final* columns to indicate whether the borrower will receive cash or need to pay cash at closing. It also documents changes in the *Cash to Close* between the Loan Estimate and the Closing Disclosure and briefly explains why the change occurred or where the detail of the change is found on the disclosure. It also notes when a violation of the regulatory limitations on increases from the estimated charges has occurred.
- **Pages 4 and 5** are similar to page 3 of the Loan Estimate. Like that page, they provide statements required by statute and additional useful information. The section titled *Loan Disclosures* on page 4 provides loan-specific disclosures for *Assumption, Demand Feature, Late Payment, Negative Amortization, Partial Payments, Security Interest, and Escrow Account*. It also includes the *Adjustable Payment (AP) Table* and the *Adjustable Interest Rate (AIR) Table*, if needed. The section titled *Loan Calculations* on page 5 provides a chart of loan-specific calculations, including *Total of Payments, Finance Charge, Amount Financed, Annual Percentage Rate (APR), and Total Interest Percentage (TIP)*. The page also provides more general disclosures in a section titled *Other Disclosures*, including disclosures for *Appraisal, Contract Details, Liability after Foreclosure, Loan Acceptance, Refinance, and*

*Tax Deductions.* In addition, a table contains *Contact Information* for the lender, mortgage broker, two real estate brokers, and a settlement agent. The page also includes a *Questions* box to refer consumers to the CFPB website and others in the *Contact Information* table. An optional signature line allows the lender to document receipt of the disclosure.

As with the Loan Estimate, the Closing Disclosure reduces the number of pages the consumer would receive during the settlement process. By our calculation, the five-page Closing Disclosure replaces the three-page HUD-1, the two-page Truth in Lending disclosure, and several additional separate and/or new disclosures, which potentially could have resulted in at least seven additional pages. These separate disclosures include the new disclosures required by the Dodd-Frank Act: (1) *Total Interest Percentage*, (2) *Negative Amortization*, (3) *Partial Payments*, (4) *Escrow Account*, and (5) *Liability after Foreclosure*.

## Page 1 of Refinance Closing Disclosure

- 1 **Loan Details:** Shows transaction information.
- 2 **Loan Terms:** Shows the basic *Loan Terms*, whether they may increase or change, and the timing and highest possible change.
- 3 **Projected Payments:** Shows affordability information, including how and when *Monthly Principal & Interest Payments* can change over time, an estimate of *Taxes, Insurance & Assessments* for the property, and the *Estimated Total Monthly Payment*, including if taxes and insurance are escrowed or excluded from the loan payment.
- 4 **Costs at Closing:** This section shows another aspect of affordability in order to purchase the house.
- 5 **Closing Costs:** Shows the total of *Loan Costs* and *Other Costs* from page 2 – and allows shopping on the basis of the cost of getting a mortgage.
- 6 **Cash to Close:** Shows the additional cost to close the loan and the real estate transaction, including the two checkboxes to show whether the cash is to or from the borrower.

Closing Disclosure		This form is a statement of final loan terms and closing costs. Compare this document with your Loan Estimate.	
<b>Closing Information</b> Date Issued 4/15/2013 Closing Date 4/15/2013 Disbursement Date 4/15/2013 Settlement Agent Zeta Title File # 12-3456 Property 123 Anywhere Street Anytown, ST 12345 Appraised Prop. Value \$180,000	<b>Transaction Information</b> Borrower Michael Jones and Mary Stone 123 Anywhere Street Anytown, ST 12345 Lender Ficus Bank	<b>Loan Information</b> Loan Term 30 years Purpose Refinance Product Fixed Rate Loan Type <input checked="" type="checkbox"/> Conventional <input type="checkbox"/> FHA <input type="checkbox"/> VA <input type="checkbox"/> Loan ID # 123456789 MIC # 009874513	
<b>Loan Terms</b>		Can this amount increase after closing?	
Loan Amount	\$150,000	NO	
Interest Rate	4.25%	NO	
Monthly Principal & Interest <small>See Projected Payments below for your Estimated Total Monthly Payment</small>	\$737.91	NO	
		Does the loan have these features?	
Prepayment Penalty	NO		
Balloon Payment	NO		
<b>Projected Payments</b>			
Payment Calculation	Years 1-4	Years 5-30	
Principal & Interest	\$737.91	\$737.91	
Mortgage Insurance	+ 82.35	+ —	
Estimated Escrow <small>Amount can increase over time</small>	+ 206.13	+ 206.13	
<b>Estimated Total Monthly Payment</b>	<b>\$1,026.39</b>	<b>\$944.04</b>	
Estimated Taxes, Insurance & Assessments <small>Amount can increase over time See details on page 4</small>	\$356.13 a month	<b>This estimate includes</b> <input checked="" type="checkbox"/> Property Taxes <input checked="" type="checkbox"/> Homeowner's Insurance <input checked="" type="checkbox"/> Other: HOA Dues <small>See page 4 for escrowed property costs. You must pay for other property costs separately.</small>	<b>In escrow?</b> YES YES NO
<b>Costs at Closing</b>			
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	
CLOSING DISCLOSURE		PAGE 1 OF 5 - LOAN ID # 123456789	

# Page 2 of Refinance Closing Disclosure

Closing Cost Details			
Loan Costs	Borrower-Paid		Paid by Others
	At Closing	Before Closing	
<b>A. Origination Charges</b> <span style="float: right;"><b>\$1,950.00</b></span>			
01	5 % of Loan Amount (Points)	\$750.00	
02	Application Fee	\$250.00	
03	Origination Fee	\$450.00	
04	Underwriting Fee	\$500.00	
05			
06			
07			
08			
<b>B. Services Borrower Did Not Shop For</b> <span style="float: right;"><b>\$610.00</b></span>			
01	Appraisal Fee to John Smith Appraisers Inc.		\$405.00
02	Credit Report Fee to Information Inc.		\$30.00
03	Flood Determination Fee to Info Co.	\$20.00	
04	Flood Monitoring Fee to Info Co.	\$45.00	
05	Tax Monitoring Fee to Info Co.	\$65.00	
06	Tax Status Research Fee to Info Co.	\$45.00	
07			
08			
09			
10			
<b>C. Services Borrower Did Shop For</b> <span style="float: right;"><b>\$935.50</b></span>			
01	Pest Inspection Fee to Pests Co.	\$85.00	
02	Title – Insurance Binder to Epsilon Title Co.	\$50.00	
03	Title – Lender’s Title Policy to Epsilon Title Co.	\$250.50	
04	Title – Settlement Agent Fee to Epsilon Title Co.	\$350.00	
05	Title – Title Search to Epsilon Title Co.	\$200.00	
06			
07			
08			
<b>D. TOTAL LOAN COSTS (Borrower-Paid)</b> <span style="float: right;"><b>\$3,495.50</b></span>			
Loan Costs Subtotals (A + B + C)		\$3,060.50	\$435.00
<b>Other Costs</b>			
<b>E. Taxes and Other Government Fees</b> <span style="float: right;"><b>\$60.00</b></span>			
01	Recording Fees Deed: Mortgage: \$60.00	\$60.00	
02			
<b>F. Prepays</b> <span style="float: right;"><b>\$2,125.12</b></span>			
01	Homeowner’s Insurance Premium ( 12 mo.) to Insurance Co.	\$1,209.96	
02	Mortgage Insurance Premium ( mo.)		
03	Prepaid Interest ( \$17.71 per day from 4/15/2013 to 5/1/2013 )	\$283.36	
04	Property Taxes ( 6 mo.) to Any County USA	\$631.80	
05			
<b>G. Initial Escrow Payment at Closing</b> <span style="float: right;"><b>\$576.95</b></span>			
01	Homeowner’s Insurance \$100.83 per month for 2 mo.	\$201.66	
02	Mortgage Insurance \$82.35 per month for 2 mo.	\$164.70	
03	Property Taxes \$105.30 per month for 2 mo.	\$210.60	
04			
05			
06			
07			
08	Aggregate Adjustment	– \$0.01	
<b>H. Other</b>			
01			
02			
03			
04			
05			
06			
07			
08			
<b>I. TOTAL OTHER COSTS (Borrower-Paid)</b> <span style="float: right;"><b>\$2,762.07</b></span>			
Other Costs Subtotals (E + F + G + H)		\$2,762.07	
<b>J. TOTAL CLOSING COSTS (Borrower-Paid)</b> <span style="float: right;"><b>\$5,757.57</b></span>			
Closing Costs Subtotals (D + I)		\$5,822.57	\$435.00
Lender Credits		– \$500.00	

**1 Loan Costs:** Lists the costs that are generally associated with the loan, including the lender’s charges and required services. These required services are grouped by services for which the consumer can or cannot shop for through their own service providers. It also identifies who paid the costs and when.

**2 Other Costs:** Lists the costs that are generally not determined by the lender, including taxes, insurance premiums, and optional services. It also identifies whether the cost was paid at or before the closing by the borrower or by others.

**3 Total Closing Costs:** Calculates the Closing Costs for the borrower factoring in any Lender Credits, including credits for when a violation of the regulatory limits on increases from the estimated charges has occurred.

## Page 3 of Refinance Closing Disclosure

**1 Payoffs and Payments:** This section lists any *Payoffs and Payments* to others from the *Loan Amount*.

**2 Calculating Cash to Close:** Like the Loan Estimate, this section lists the elements that make up the *Cash to Close*, including the *Total Payoffs and Payments*. It lists the amounts from the Loan Estimate and the final costs to show changes and briefly explains why the change occurred or where more detail is located on the disclosure. It also notes when a violation of the regulatory limitations on increases from the estimated charges occurred. It also includes the two checkboxes to show whether the cash is to or from the borrower.

1

**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	
<b>K. TOTAL PAYOFFS AND PAYMENTS</b>	<b>\$115,000.00</b>

2

**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	<b>NO</b>
Total Closing Costs (J)	-\$5,099.00	-\$5,757.57	<b>YES</b> - See <b>Total Loan Costs (D)</b> and <b>Total Other Costs (I)</b>
Closing Costs Paid Before Closing	\$0	\$435.00	<b>YES</b> - You paid these Closing Costs <b>before closing</b>
Total Payoffs and Payments (K)	-\$120,000.00	-\$115,000.00	<b>YES</b> - See <b>Payoffs and Payments (K)</b>
<b>Cash to Close</b>	<div style="display: flex; justify-content: space-between; align-items: center;"> <span style="text-align: right; padding-right: 5px;">\$24,901.00</span> <div style="display: flex; align-items: center;"> <input type="checkbox"/> From Borrower                 </div> </div>	<div style="display: flex; justify-content: space-between; align-items: center;"> <span style="text-align: right; padding-right: 5px;">\$29,677.43</span> <div style="display: flex; align-items: center;"> <input type="checkbox"/> From Borrower                 </div> </div>	Closing Costs Financed (Paid from your Loan Amount) \$5,322.57

CLOSING DISCLOSURE
PAGE 3 OF 5 - LOAN ID # 123456789



# Page 4 of Refinance Closing Disclosure

**Additional Information About This Loan**

---

**Loan Disclosures** 1

**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  
123 Anywhere Street, 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: <i>Property Taxes, Homeowner's Insurance</i>
Non-Escrowed Property Costs over Year 1	\$1,800.00	Estimated total amount over year 1 for your non-escrowed property costs: <i>MCOB Dues</i> You may have other property costs.
Initial Escrow Payment	\$576.95	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

**1 Loan Disclosures:** Includes several current and newly required disclosure statements, such as *Assumption, Demand Feature, Late Payment, Negative Amortization, Partial Payments, Security Interest, and Escrow Account.*

## Page 5 of Refinance Closing Disclosure

**1 Loan Calculations:** Consolidates several new and previously required disclosures under TILA. The section does not contain the *Approximate Cost of Funds* that was included in the Proposed Rule, because the CFPB determined to delete this item from the disclosure based on consumer testing results and public comments.

**2 Other Disclosures:** Includes several current and newly-required disclosure statements, such as *Appraisal, Contract Details, Liability after Foreclosure, Refinance, and Tax Deductions.*

**3 Questions:** Lists the CFPB website as a general resource and refers consumers to the *Contact Information* table.

**4 Contact Information:** Groups *Contact Information* in a usable reference table.

**5 Confirm Receipt (optional):** Allows for consumer signatures to document receipt of the disclosure.

Loan Calculations	1	Other Disclosures	2
<b>Total of Payments.</b> Total you will have paid after you make all payments of principal, interest, mortgage insurance, and loan costs, as scheduled.	\$273,214.50	<b>Appraisal</b> 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.	
<b>Finance Charge.</b> The dollar amount the loan will cost you.	\$121,029.00	<b>Contract Details</b> See your note and security instrument for information about <ul style="list-style-type: none"> <li>• what happens if you fail to make your payments,</li> <li>• what is a default on the loan,</li> <li>• situations in which your lender can require early repayment of the loan, and</li> <li>• the rules for making payments before they are due.</li> </ul>	
<b>Amount Financed.</b> The loan amount available after paying your upfront finance charge.	\$148,241.94	<b>Liability after Foreclosure</b> 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"> <li><input 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.</li> <li><input checked="" type="checkbox"/> state law does not protect you from liability for the unpaid balance.</li> </ul>	
<b>Annual Percentage Rate (APR).</b> Your costs over the loan term expressed as a rate. This is not your interest rate.	4.543%	<b>Refinance</b> 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.	
<b>Total Interest Percentage (TIP).</b> The total amount of interest that you will pay over the loan term as a percentage of your loan amount.	77.29%	<b>Tax Deductions</b> 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.	
<div style="border: 1px solid #ccc; padding: 10px; margin: 10px auto; width: 80%;"> <p><b>3 Questions?</b> 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 <a href="http://www.consumerfinance.gov/mortgage-closing">www.consumerfinance.gov/mortgage-closing</a></p> </div>			
Contact Information	4		
<b>Name</b>	Lender Ficus Bank	<b>Mortgage Broker</b>	<b>Settlement Agent</b>
<b>Address</b>	4321 Random Blvd. Somecity, ST 12340		Zeta Title 321 Uptown Dr. Anytown, ST 12345
<b>NMLS ID</b>			
<b>ST License ID</b>			P76821
<b>Contact</b>	Joe Smith		Joan Taylor
<b>Contact NMLS ID</b>	12345		
<b>Contact License ID</b>			
<b>Email</b>	joesmith@ficusbank.com		joan@zt.biz
<b>Phone</b>	123-456-7890		555-321-9876
Confirm Receipt	5		
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

## List of Appendices

Appendix A. Rounds 1 through 3 Spanish Consumer Demographics

Appendix B. Rounds 4 through 7 Consumer Demographics

Appendix C. Round 1 – Spanish Disclosures

Appendix D. Round 2 – Spanish Disclosures

Appendix E. Round 3 – Spanish Disclosures

Appendix F. Round 4 – Refinance Disclosures

Appendix G. Round 5 – Refinance Spanish Disclosures

Appendix H. Round 6 – Refinance and Closing Cost English Disclosures

Appendix I. Round 7 – Closing Cost and Refinance Disclosures



# Appendix

# A

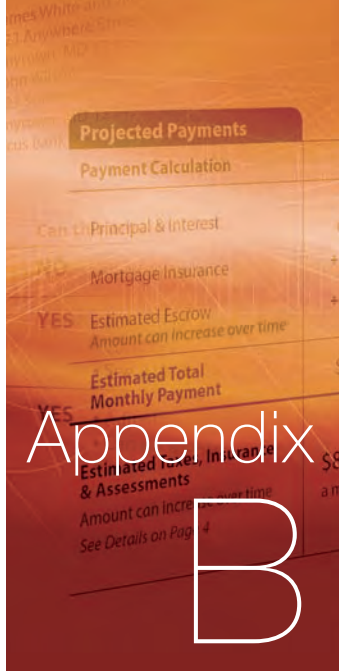
Rounds 1 through 3 Spanish Consumer Demographics

## APPENDIX A: Rounds 1 through 3 Spanish Consumer Demographics

		Round 1 Arlington, VA	Round 2 Phoenix, AZ	Round 3 Miami, FL	Overall Total
Gender	Male	2	2	4	8
	Female	6	6	4	16
Marital Status	Now Married	4	4	4	12
	Never Married	1	2	1	4
	Divorced	3	1 divorced and 1 separated	2 separated	4 divorced; 3 separated
	Single	0	0	1	1
Race	Black	0	0	0	0
	White	0	0	0	0
	Asian	0	0	0	0
Hispanic/ Latino	Yes	8 (4 South/ Central American and 4 NA)	8 (Mexican)	8 (4 South/ Central American; 2 Puerto Rican; 1 Cuban; and 1 other Hispanic/ Latino)	24 (8 South/ Central American; 8 Mexican; 2 Puerto Rican; 1 Cuban; 1 other Hispanic/ Latino; and 4 N/A)
	No	0	0	0	0
Age	18–30	1	0	3	4
	31–45	3	6	2	11
	46–60	4	2	2	8
	60 +	0	0	1	1
Education	Less than high school, high school or GED	3	7	2	12
	Some college or a 2-year college program	1	1	2	4
	College graduate	4	0	3	7
	Additional education	0	0	0	0
Household Income	Less than \$35k	3	6	2	11
	\$35,001–70,000	4	2	3	9
	\$70,001–125,000	1	0	3	4
	Over \$125,000	0	0	0	0

		Round 1 Arlington, VA	Round 2 Phoenix, AZ	Round 3 Miami, FL	Overall Total
Bought / refinanced in last 5 Years	Yes	2	4	4	10
	No	6	4	4	14
Experienced Delinquency	Yes	2	3	0	5
	No	6	5	8	19
Own home now	Yes	3	2	2	7
	No	5	6	6	17
Owned home in the past	Yes	2	2	1	5
	No or NA	6	6	7	19





# Appendix

# B

Round 4 through 7 Consumer Demographics



## APPENDIX B: Rounds 4 through 7 Consumer Demographics

		Round 4 Bethesda	Round 5 Baltimore Spanish	Round 6 Baltimore	Round 7 Richmond	Overall Total
<b>Gender</b>	Male	4	3	1	3	11
	Female	4	2	4	5	15
<b>Marital Status</b>	Now Married	4	4	3	6	17
	Widowed	1	0	0	0	1
	Divorced	2	1	1	2	6
	Separated	0	0	0	0	0
	Never Married	1	0	1	0	2
<b>Race</b>	Black	3	0	3	3	9
	White	4	1	2	4	11
	Asian	0	0	0	0	0
	American Indian or Alaska Native	0	0	0	0	0
	Native Hawaiian or other Pacific Islander	0	0	0	0	0
	2 or More Races/NA	1	0	0	1	2
<b>Hispanic/ Latino</b>	Yes	2 (1 South or Central American; 1 NA)	5 (3 South Central, 2 N/A)	0	2 (1 Mexican/ Puerto Rican; 1 Central American)	9
	No or N/A	6	0	5	6	17
<b>Age</b>	18–30	0	0	0	0	0
	31–45	3	1	1	2	7
	46–60	4	4	4	4	16
	60 +	1	0	0	2	3
<b>Education</b>	Less than high school, high school or GED	2	2	2	2	8
	Some college or a 2-year college program	3	3	0	5	11
	College graduate	1	0	2	1	4
	Additional education	2	0	1	0	3



## Round 1 – Spanish Disclosures

Round 1 – Loan Estimate, 30 year Fixed Rate, page 1

**FICUS BANK**

4321 Random Boulevard • Somecity, ST 12340

Guarde esta estimación de préstamo para compararla con su declaración de cierre.

**Estimación de préstamo**

**FECHA DE EMISIÓN** 10/10/2012  
**SOLICITANTES** John A. and Mary B.  
 123 Anywhere Street  
 Anytown, ST 12345  
**INMUEBLE** 456 Somewhere Avenue  
 Anytown, ST 12345  
**PRECIO DE VENTA** \$180,000

**PLAZO DEL PRÉSTAMO** 30 años  
**FINALIDAD** Adquisición por compra  
**PRODUCTO** Tasa fija  
**TIPO DE PRÉSTAMO**  Convencional  FHA  VA  \_\_\_\_\_  
**N.º DEL PRÉSTAMO** 123456789  
**BLOQUEO DE TASA**  NO  SÍ, hasta el 12/11/2012 a las 5:00 p. m. EDT

Antes del cierre, la tasa de interés, los puntos y los créditos del prestamista podrían cambiar, a menos que usted bloquee la tasa de interés. Todos los demás costos de cierre estimados estarán vigentes hasta el **10/24/2012** a las 5:00 p. m. EDT

Términos del préstamo		¿Puede aumentar este monto después del cierre?
<b>Monto del préstamo</b>	\$162,000	<b>NO</b>
<b>Tasa de interés</b>	3.875%	<b>NO</b>
<b>Pago mensual de intereses y capital</b> <i>Consulte la sección de pagos proyectados para saber el total de su pago mensual</i>	\$761.78	<b>NO</b>
<b>¿Tiene el préstamo estas características?</b>		
<b>Multa por pago anticipado</b>		<b>NO</b>
<b>Pago final pactado o programado/Cuota extra final</b>		<b>NO</b>

Pagos proyectados		
Cálculo de los pagos	Años 1 a 7	Años 8 a 30
Capital e intereses	\$761.78	\$761.78
Seguro hipotecario	+ 82	+ —
Depósito de garantía estimado <i>El monto puede aumentar con el paso del tiempo</i>	+ 206	+ 206
<b>Pago total mensual estimado</b>	<b>\$1,050</b>	<b>\$968</b>
<b>Impuestos, seguro y evaluaciones estimados</b> <i>El monto puede aumentar con el paso del tiempo</i>	\$206 por mes	<b>Esta estimación incluye</b> <input checked="" type="checkbox"/> Impuestos sobre la propiedad <input checked="" type="checkbox"/> Seguro de la vivienda <input type="checkbox"/> Otro: <b>¿En depósito de garantía?</b> <b>SÍ</b> <b>SÍ</b>
<i>Consulte la Sección G en la página 2 para informarse sobre el dinero depositado en una cuenta en garantía. Deberá pagar por separado los demás costos.</i>		

Dinero en efectivo para el cierre	
<b>Dinero en efectivo estimado para el cierre</b>	\$16,054 Incluye \$8,054 por costos de cierre (\$5,672 por costos del préstamo + \$2,382 por otros costos – \$0 por créditos del prestamista). Consulte los detalles en la página 2

Visite [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore) para información general y ayuda.

## Round 1 – Loan Estimate, 30 year Fixed Rate, page 2

### Detalles de los costos del cierre

#### Costos del préstamo

<b>A. Gastos por tramitación</b>	<b>\$1,802</b>
0.25 % del monto del préstamo (Puntos)	\$405
Cargo por el estudio del crédito	\$1,097
Cargos por la solicitud del préstamo	\$300

#### B. Servicios que usted no puede contratar \$672

Cargo por control de zonas de inundación	\$32
Cargo por determinación de zonas de inundación	\$20
Cargos por fiscalización tributaria	\$75
Cargo por informe de crédito	\$30
Cargos por investigación sobre situación tributaria	\$110
Cargo por tasación/avalúo	\$405

#### C. Servicios que usted puede contratar \$3,198

Cargo por inspección de plagas	\$135
Cargo por peritaje (suelos)	\$65
Estudio de títulos de propiedad	\$1,261
Garantía provisional de seguro del título de propiedad	\$700
Honorarios del agente a cargo de la operación de cierre	\$502
Póliza del título de propiedad del prestamista	\$535

#### D. COSTOS TOTALES DEL PRÉSTAMO (A + B + C) \$5,672

#### Otros costos

<b>E. Impuestos y otros cargos gubernamentales</b>	<b>\$85</b>
Costos de registro y otros impuestos	\$85
Impuestos por transferencia de título	\$0

#### F. Pagos anticipados \$867

Impuestos sobre la propiedad (0 meses)	\$0
Pago anticipado de intereses	
(\$17.44 por día durante 15 días a la tasa de 3.875 %)	\$262
Prima del seguro de hipoteca (0 meses)	\$0
Prima del seguro de la vivienda (6 meses)	\$605

#### G. Pago inicial del depósito de garantía al cierre \$413

Impuestos sobre la propiedad de \$105.30 por mes durante 2 meses	\$211
Seguro de hipoteca por mes durante 0 meses	
Seguro de la vivienda por \$100.83 por mes durante 2 meses	\$202

#### H. Otros \$1,017

Póliza del título de propiedad del propietario (opcional)	\$1,017
---	---------

#### I. TOTAL DE OTROS COSTOS (E + F + G + H) \$2,382

#### J. TOTAL DE COSTOS DE CIERRE \$8,054

D + I	\$8,054
Créditos del prestamista	\$0

#### Cálculo del dinero en efectivo para el cierre

Total de costos de cierre (J)	\$8,054
Costos de cierre financiados (incluidos en el monto del préstamo)	\$0
Pago inicial/Fondos del prestatarario	\$18,000
Depósito	– \$10,000
Fondos para el prestatarario	\$0
Créditos del vendedor	\$0
Ajustes y otros créditos	\$0
<b>Dinero en efectivo estimado para el cierre</b>	<b>\$16,054</b>

Round 1 – Loan Estimate, 30 year Fixed Rate, page 3

**Información adicional sobre este préstamo**

**PRESTAMISTA** Ficus Bank  
**N. ° DE NMLS/LICENCIA**  
**AGENTE DE PRÉSTAMO** Joe Smith  
**N. ° DEL NMLS** 12345  
**CORREO ELECTRÓNICO** joesmith@ficusbank.com  
**TELÉFONO** 123-456-7890

**CORREDOR HIPOTECARIO**  
**N. ° DE NMLS/LICENCIA**  
**AGENTE DE PRÉSTAMO**  
**N. ° DE NMLS**  
**CORREO ELECTRÓNICO**  
**TELÉFONO**

**Comparaciones**

Utilice estas medidas para comparar este préstamo con otros.

<b>En 5 años</b>	\$56,582 total que habrá pagado en capital, intereses, seguro hipotecario y costos del préstamo. \$15,773 capital principal que habrá amortizado.
<b>Tasa porcentual anual (APR)</b>	4.494% sus costos durante el plazo del préstamo expresados como una tasa. Esta no es su tasa de interés.
<b>Total de intereses pagados a lo largo del plazo del préstamo (TIP)</b>	69.447% el monto total de intereses que pagará durante el plazo del préstamo como porcentaje del monto del préstamo.

**Otras consideraciones**

**Administración del préstamo**

Nuestra intención es  
 brindarle servicios de administración de su préstamo. De ser así, usted emitirá los pagos a nuestro nombre.  
 transferir los servicios de administración de su préstamo.

**Pago atrasado**

Si su pago presenta un retraso de más de 15 días, le cobraremos un recargo del 5 % sobre el monto total de los intereses y el capital que paga mensualmente.

**Refinanciamiento**

El refinanciamiento de este préstamo dependerá de su situación financiera futura, del valor de la propiedad y de las condiciones del mercado. Es posible que no se le pueda refinanciar este préstamo.

**Seguro de la vivienda**

Este préstamo exige un seguro de la vivienda, que puede obtenerse de una empresa que usted seleccione y que nosotros consideremos aceptable.

**Supuestos**

Si usted vende o transfiere esta propiedad a otra persona,  
 permitiremos, en determinadas condiciones, que esta persona asuma este préstamo con sus términos y condiciones originales.  
 no permitiremos que esta persona asuma este préstamo con sus términos y condiciones originales.

**Tasación**

Es posible que pidamos una tasación para determinar el valor de la propiedad y que le cobremos por esta tasación. Inmediatamente, le daremos una copia de la tasación aunque su préstamo no se cierre. Puede pagar para que se haga otra tasación más para su uso personal y esta correrá por su cuenta.

**Confirmación de recepción**

Al firmar, usted solo confirma que ha recibido este formulario. No es necesario que acepte este préstamo por el hecho de haber firmado o recibido este formulario.

\_\_\_\_\_  
Firma del solicitante

\_\_\_\_\_  
Fecha

\_\_\_\_\_  
Firma del cosolicitante

\_\_\_\_\_  
Fecha

Round 1 – Closing Disclosure, 30 year Fixed Rate, page 1

## Declaración de cierre

Este formulario es una declaración sobre los términos y condiciones finales del préstamo y los costos de cierre. Compare este documento con su Estimación de préstamo.

### Información sobre el cierre

Fecha de emisión 12/03/2012  
 Fecha de cierre 12/06/2012  
 Fecha de desembolso 12/06/2012  
 Agente a cargo de la operación de cierre Epsilon Title Co.  
 Archivo N.º 12-3456  
 Inmueble 456 Somewhere Ave  
 Anytown, ST 12345  
 Precio de venta \$180,000

### Información sobre la transacción

Prestatario John A. and Mary B.  
 123 Anywhere Street  
 Anytown, ST 12345  
 Vendedor Steve C. and Amy D.  
 321 Somewhere Drive  
 Anytown, ST 12345  
 Prestamista Ficus Bank

### Información sobre el préstamo

Plazo del préstamo 30 años  
 Finalidad Adquisición por compra  
 Producto Tasa fija  
 Tipo de préstamo  Convencional  FHA  
 VA   
 N.º del préstamo 123456789  
 N.º de MIC 000654321

Términos del préstamo		¿Puede aumentar este monto después del cierre?
Monto del préstamo	\$162,000	NO
Tasa de interés	3.875%	NO
Pago mensual de intereses y capital <i>Consulte los pagos proyectados que figuran a continuación para saber cuál es el total de su pago mensual</i>	\$761.78	NO
		¿Tiene el préstamo estas características?
Multa por pago anticipado		NO
Pago final pactado o programado/Cuota extra final		NO

### Pagos proyectados

Cálculo de los pagos	Años 1 a 7	Años 8 a 30
Capital e intereses	\$761.78	\$761.78
Seguro hipotecario	+ 82.35	+ —
Depósito de garantía estimado <i>El monto puede aumentar con el paso del tiempo</i>	+ 206.13	+ 206.13
<b>Pago total mensual estimado</b>	<b>\$1,050.26</b>	<b>\$967.91</b>

Impuestos, seguro y evaluaciones estimados <i>El monto puede aumentar con el paso del tiempo. Consulte los detalles en la página 4.</i>	Esta estimación incluye	¿En depósito de garantía?
\$356.13 por mes	<input checked="" type="checkbox"/> Impuestos sobre la propiedad <input checked="" type="checkbox"/> Seguro de la vivienda <input type="checkbox"/> Otro: Asociación de propietarios	SÍ SÍ NO
<i>Consulte la página 4 para informarse sobre el dinero depositado en una cuenta en garantía para pagar los impuestos y el seguro. Deberá pagar por separado los demás costos relacionados con la propiedad.</i>		

### Dinero en efectivo para el cierre

Dinero en efectivo para el cierre	\$14,272.35	Incluye \$9,729.54 por costos de cierre (\$4,694.05 por costos del préstamo + \$5,035.49 por otros costos – \$0 por créditos del prestamista). Consulte los detalles en la página 2.
-----------------------------------	-------------	--

Round 1 – Closing Disclosure, 30 year Fixed Rate, page 2

POST-PROPOSAL CONSUMER TESTING OF THE SPANISH AND REFINANCE INTEGRATED TILA-RESPA DISCLOSURES

Detalles de los costos de cierre						
Costos del préstamo		Pagados por el prestatario		Pagados por el vendedor		Pagados por otros
		Al cierre	Antes del cierre	Al cierre	Antes del cierre	
<b>A. Gastos por tramitación</b>		<b>\$1,802.00</b>				
01	0.25 % del monto del préstamo (Puntos)	\$405.00				
02	Cargo por el estudio del crédito	\$1,097.00				
03	Cargos por la solicitud del préstamo	\$300.00				
04						
05						
06						
07						
08						
<b>B. Servicios que el prestatario no puede contratar</b>		<b>\$236.55</b>				
01	Cargo por control de zonas de inundación para Info Co.	\$31.75				
02	Cargo por determinación de zonas de inundación para Info Co.	\$20.00				
03	Cargo por fiscalización tributaria para Info Co.	\$75.00				
04	Cargo por informe de crédito para Information Inc.		\$29.80			
05	Cargo por investigación sobre situación tributaria para Info Co.	\$80.00				
06	Cargo por tasación/avalúo para John Smith Appraisers Inc.					\$405.00
07						
08						
09						
10						
<b>C. Servicios que el prestatario puede contratar</b>		<b>\$2,655.50</b>				
01	Cargo por inspección de plagas para Pests Co.	\$120.50				
02	Cargo por peritaje (suelos) para Surveys Co.	\$85.00				
03	Estudio de títulos de propiedad para Epsilon Title Co.	\$800.00				
04	Honorarios del agente a cargo de la operación del título de inmueble para Epsilon Title Co.	\$500.00				
05	Seguro del título de propiedad del prestamista para Epsilon Title Co.	\$500.00				
06	Título: Garantía provisional de seguro del título de propiedad para Epsilon Title Co.	\$650.00				
07						
<b>D. COSTOS TOTALES DEL PRÉSTAMO (Pagados por el prestatario)</b>		<b>\$4,694.05</b>				
Subtotales de los costos del préstamo (A + B + C)		\$4,664.25	\$29.80			
<b>Otros costos</b>						
<b>E. Impuestos y otros cargos gubernamentales</b>		<b>\$85.00</b>				
01	Costos de registro y otros impuestos por registro del título de Inmueble: \$40.00 Hipoteca: \$45.00	\$85.00				
02	Impuesto estatal por transferencia de título			\$950.00		
<b>F. Pagos anticipados</b>		<b>\$2,138.24</b>				
01	Impuestos sobre la propiedad (6 meses) para Any County USA	\$631.80				
02	Pago anticipado de intereses \$17.44 por día del 12/06/12 al 12/22/2012	\$296.48				
03	Prima del seguro de hipoteca ( meses)					
04	Prima del seguro de la vivienda (12 meses) para Insurance Co.	\$1,209.96				
05						
<b>G. Pago inicial del depósito de garantía al cierre</b>		<b>\$412.25</b>				
01	Impuestos sobre la propiedad de \$105.30 por mes, durante 2 meses	\$210.60				
02	Seguro de hipoteca por mes, durante un mes					
03	Seguro de la vivienda de \$100.83 por mes, durante 2 meses	\$201.66				
04						
05						
06						
08	Ajuste acumulado	- 0.01				
<b>H. Otros costos</b>		<b>\$2,400.00</b>				
01	Comisión por transacción inmobiliaria para Alpha Real Estate Broker			\$700.00		
02	Comisión por transacción inmobiliaria para Omega Real Estate Broker			\$700.00		
03	Aporte de capital para la Asociación de propietarios para HOA Acre Inc.	\$500.00				
04	Cargo por garantía de la propiedad para XYZ Warranty Inc.			\$450.00		
05	Cargo por inspección de la propiedad para Engineers Inc.	\$750.00			\$750.00	
06	Obligaciones con respecto a la Asociación de propietarios a octubre de 2012 para HOA Acre Inc.	\$150.00				
07	Póliza de seguro del título de propiedad del propietario para Epsilon Title Co.	\$1,000.00				
<b>I. TOTAL DE OTROS COSTOS (pagados por el prestatario)</b>		<b>\$5,035.49</b>				
Subtotal de otros costos (E + F + G + H)		\$5,035.49				
<b>J. TOTAL DE COSTOS DE CIERRE (pagados por el prestatario)</b>		<b>\$9,729.54</b>				
Subtotales de costos de cierre (D + I)		\$9,699.74	\$29.80	\$2,800.00	\$750.00	\$405.00
Créditos del prestamista						
DECLARACIÓN DE CIERRE						
PÁGINA 2 DE 6 • N.º DEL PRÉSTAMO 123456789						

## Round 1 – Closing Disclosure, 30 year Fixed Rate, page 3

### Cálculo del dinero en efectivo para el cierre

Utilice esta tabla para saber lo que ha cambiado en su Estimación de préstamo.

	Estimación	Final	¿Esto cambió?
Total de costos de cierre (J)	\$8,054.00	\$9,729.54	SÍ • Consulte los <b>costos totales del préstamo (D)</b> y el <b>total de otros costos (I)</b>
Costos de cierre pagados antes del cierre	\$0	– \$29.80	SÍ • Pagó estos costos de cierre <b>antes del cierre</b>
Costos de cierre financiados (incluidos en el monto del préstamo)	\$0	\$0	NO
Pago inicial/Fondos del prestatario	\$18,000.00	\$18,000.00	NO
Depósito	– \$10,000.00	– \$10,000.00	NO
Fondos para el prestatario			NO
Créditos del vendedor	\$0	– \$2,500.00	SÍ • Consulte los créditos del vendedor en la <b>Sección L</b>
Ajustes y otros créditos	\$0	– \$927.39	SÍ • Consulte los detalles en las <b>secciones K y L</b>
<b>Dinero en efectivo para el cierre</b>	<b>\$16,054.00</b>	<b>\$14,272.35</b>	

### Resúmenes de transacciones

Utilice esta tabla para ver el resumen de su transacción.

#### TRANSACCIONES DEL PRESTATARIO

<b>K. Pagaderos por el prestatario al cierre</b>		<b>\$189,784.74</b>
01	Precio de venta de la propiedad	\$180,000.00
02	Precio de venta de cualquier propiedad personal incluida en la venta	
03	Costos de cierre pagados al cierre (J)	\$9,699.74
04		
<b>Ajustes</b>		
05		
06		
07		
<b>Ajustes para los artículos pagados por el vendedor por anticipado</b>		
08	Impuestos municipales para	
09	Impuestos del condado para	
10	Evaluaciones estimadas para	
11	Obligaciones con respecto a la Asociación de propietarios	
	12/06/2012 al 12/31/2012	\$85.00
12		
13		
14		
15		
<b>L. Pagado por el prestatario, o en su nombre, al cierre</b>		<b>\$175,512.39</b>
01	Depósito	\$10,000.00
02	Monto del préstamo del prestatario	\$162,000.00
03	Préstamos existentes atribuidos o adquiridos sujetos a	
04		
05	Crédito del vendedor	\$2,500.00
<b>Otros créditos</b>		
06	Reintegro de Epsilon Title Co.	\$750.00
07		
<b>Ajustes</b>		
08		
09		
10		
11		
<b>Ajustes para los artículos no pagados por el vendedor</b>		
12	Impuestos municipales del 10/01/2012 al 12/06/2012	\$262.39
13	Impuestos del condado al	
14	Evaluaciones estimadas al	
15		
16		
17		

#### CÁLCULO

Total pagadero por el prestatario al cierre (K)	\$189,784.74
Total pagado por el prestatario, o en su nombre, al cierre (L)	\$175,512.39

#### Dinero en efectivo para el cierre

de  para el prestatario **\$14,272.35**

#### TRANSACCIONES DEL VENDEDOR

<b>M. Pagaderos al vendedor al cierre</b>		<b>\$180,085.00</b>
01	Precio de venta de la propiedad	\$180,000.00
02	Precio de venta de cualquier propiedad personal incluida en la venta	
03		
04		
05		
06		
07		
08		
<b>Ajustes para los artículos pagados por el vendedor por anticipado</b>		
09	Impuestos municipales para	
10	Impuestos del condado para	
11	Evaluaciones estimadas para	
12	Obligaciones con respecto a la Asociación de propietarios	
	12/06/2012 al 12/31/2012	\$85.00
13		
14		
15		
16		
<b>N. Pagaderos por el vendedor al cierre</b>		<b>\$115,562.39</b>
01	Depósito excedente	\$10,000.00
02	Costos de cierre pagados al cierre (J)	\$2,800.00
03	Préstamos existentes atribuidos o adquiridos sujetos a	
04	Pago del primero préstamo hipotecario	\$100,000.00
05	Pago del segundo préstamo hipotecario	
06		
07		
08	Crédito del vendedor	\$2,500.00
09		
10		
11		
12		
13		
<b>Ajustes para los artículos no pagados por el vendedor</b>		
14	Impuestos municipales del 10/01/2012 al 12/06/2012	\$262.39
15	Impuestos del condado al	
16	Evaluaciones estimadas al	
17		
18		
19		

#### CÁLCULO

Total pagadero al vendedor al cierre (M)	\$180,085.00
Total pagadero por el vendedor al cierre (N)	\$115,562.39

#### Dinero en efectivo

de  para el vendedor **\$64,522.61**



Round 1 – Closing Disclosure, 30 year Fixed Rate, page 4

**Información adicional sobre este préstamo**

**Declaraciones del préstamo**

**Amortización negativa** (aumento del monto del préstamo)

De acuerdo con los términos de su préstamo, usted

- debe realizar pagos mensuales programados que no incluyen todos los intereses adeudados para ese mes. Como consecuencia, el monto de su préstamo aumentará (amortización negativa) y posiblemente, será más alto que el monto original del préstamo. Los aumentos del monto de su préstamo disminuyen su participación en el patrimonio que usted tiene en esta Inmueble.
- puede tener pagos mensuales que no incluyan todos los intereses adeudados para ese mes. Si los tiene, el monto de su préstamo aumentará (amortización negativa) y, como consecuencia, puede ser más alto que el monto original del préstamo. Los aumentos del monto de su préstamo disminuyen su participación en el patrimonio de esta Inmueble.
- no incluye una característica de amortización negativa.

**Característica de demanda**

Su préstamo

- incluye una característica de demanda, que le permite a su prestamista exigir el pago anticipado del préstamo. Debe revisar su pagaré para obtener detalles.
- no incluye una característica de demanda.

**Cuenta de depósito de garantía**

**Por ahora**, su préstamo

- tendrá una cuenta de depósito de garantía (también llamada cuenta de "depósito en garantía" o cuenta de "fideicomiso") para pagar los costos de la propiedad que se detallan a continuación. Sin una cuenta de depósito de garantía, usted pagaría estos costos directamente, tal vez en un pago grande o en dos pagos al año. Es posible que su prestamista sea responsable de las sanciones y los intereses que resulten de la falta de pago.

Depósito de garantía		
Costos de dinero depositado en una cuenta en garantía para pagar los impuestos y el seguro durante el año 1	\$2,473.56	Monto total estimado durante el primer año para sus costos de la propiedad con depósito de garantía: <i>Seguro de la vivienda</i> <i>Impuestos sobre la propiedad</i>
Costos de la propiedad sin depósito de garantía durante el año 1	\$1,800.00	Monto total estimado durante el primer año para sus costos de la propiedad sin depósito de garantía: <i>Obligaciones de la Asociación de Propietarios</i> Es posible que tenga que pagar otros costos de la propiedad.
Pago inicial	\$412.25	Respaldo para la cuenta de depósito de garantía que usted paga al cierre. Consulte la Sección G en la página 2.
Pago mensual	\$206.13	El monto incluido en su pago mensual total

- no tendrá una cuenta de depósito de garantía porque  usted la rechazó  y su prestamista no la exige o no la ofrece. Usted debe pagar directamente sus costos de la propiedad, como los impuestos y el seguro de la vivienda. Comuníquese con su prestamista para preguntarle si su préstamo puede contar con una cuenta de depósito de garantía.

Sin depósito de garantía		
Costos de la propiedad estimados durante el año 1		Monto total estimado durante el primer año. Usted debe pagar estos costos directamente, posiblemente en un pago grande o en dos pagos al año.
Comisión por renuncia al depósito de garantía		

**En el futuro**,

Es posible que los costos de la propiedad cambien y, como consecuencia, su pago del depósito de garantía podrá variar. Puede cancelar su cuenta de depósito de garantía, pero si lo hace, debe pagar sus costos de la propiedad directamente. Si no paga los impuestos sobre la propiedad, el estado o gobierno local pueden 1) imponer multas o sanciones o 2) imponer un embargo fiscal a esta propiedad. Si no paga ninguno de estos costos de la propiedad, su prestamista puede 1) agregar los montos al saldo de su préstamo, 2) agregar una cuenta de depósito de garantía a su préstamo o 3) exigirle que pague un seguro para la propiedad, que el prestamista adquiere en su nombre, y que tal vez tendrá un costo más alto y le brindará menos beneficios que el que podría adquirir por su cuenta.

## Round 1 – Closing Disclosure, 30 year Fixed Rate, page 5

### Declaraciones del préstamo

#### Intereses de garantía

Se le otorga un interés de garantía en \_\_\_\_\_  
456 Somewhere Ave., Anytown, ST 12345

Usted puede perder esta propiedad si no cumple con sus pagos o con el resto de las obligaciones de este préstamo.

#### Pago atrasado

Si su pago presenta un retraso de más de 15 días, le cobraremos un recargo del 5 % sobre el monto total de los intereses y el capital que paga mensualmente.

#### Pago parcial

Su prestamista

aceptará pagos menores al monto total adeudado (pagos parciales). Se aplicarán pagos parciales:

no acepta pagos parciales.

Si este préstamo se vende, es posible que su nuevo prestamista tenga una política diferente.

#### Supuestos

Si usted vende o transfiere esta propiedad a otra persona,

su prestamista permitirá, en determinadas condiciones, que esta persona asuma este préstamo con sus términos y condiciones originales.

no permitirá la presunción de este préstamo.

### Cálculos del préstamo

<b>Pagos totales.</b> Total que habrá pagado después de haber hecho todos los pagos de capital, intereses, seguro hipotecario y costos del préstamo, según lo programado.	\$292,420.88
<b>Cargo financiero.</b> El monto en dólares que le costará el préstamo.	\$123,997.58
<b>Monto financiado.</b> El monto en dólares disponible después de que pague el cargo financiero inicial.	\$156,964.47
<b>Tasa porcentual anual (APR).</b> Sus costos durante el plazo del préstamo, expresados como una tasa. Esta no es su tasa de interés.	4.441%
<b>Total de intereses pagados (TIP).</b> El monto total de los intereses que pagará durante el plazo del préstamo, expresado como porcentaje del monto total del préstamo.	69.468%
<b>Costo aproximado de los fondos (CAF).</b> El costo aproximado de los fondos utilizados para este préstamo. Este no es un costo directo para usted.	1.63%

### Otras declaraciones

#### Deducciones tributarias

Si adquiere una deuda mayor al valor de esta Inmueble, los intereses del monto del préstamo que sean superiores al valor real de mercado no se deducirán de sus impuestos federales sobre la renta. Debería consultar con un asesor impositivo para obtener más información.

#### Detalles del contrato

Consulte su pagaré y su instrumento de garantía para obtener información sobre lo siguiente:

- ¿Qué sucede si no hace sus pagos?
- ¿Qué es un incumplimiento de pago del préstamo?
- Situaciones en que su prestamista puede exigirle que pague el préstamo por anticipado.
- Las reglas para realizar pagos antes de la fecha estipulada.

#### Refinanciamiento

El refinanciamiento de este préstamo dependerá de su situación financiera futura, del valor del Inmueble y de las condiciones del mercado. Es posible que no se le pueda refinanciar este préstamo.

#### Responsabilidad luego de la ejecución de la hipoteca

Si su prestamista ejecuta la hipoteca sobre este inmueble y dicha ejecución no cubre el monto de saldo pendiente de este préstamo:

- La ley estatal de puede protegerlo contra la responsabilidad de pagar el saldo pendiente. Si vuelve a financiar o adquiere otra deuda sobre esta Inmueble, puede perder esta protección y tendrá que pagar la deuda restante después de la ejecución de la hipoteca. Le recomendamos que consulte con un abogado para obtener más información.
- La ley estatal no lo protege contra la responsabilidad de pagar el saldo pendiente.

#### Tasación

Si la propiedad fue tasada para su préstamo, su prestamista debe proporcionarle una copia sin costo adicional, al menos tres días antes del cierre. Si aún no la ha recibido, comuníquese con su prestamista utilizando la información que se brinda a continuación.



**¿Tiene preguntas?** Si tiene preguntas sobre los términos y costos del préstamo que se establecen en este formulario, comuníquese con su prestamista. Para obtener más información o para presentar un reclamo, comuníquese con la Oficina de Protección Financiera del Consumidor en [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore).

Round 1 – Closing Disclosure, 30 year Fixed Rate, page 6

<b>Información de contacto</b>					
	<b>Prestamista</b>	<b>Corredor hipotecario</b>	<b>Corredor inmobiliario (P)</b>	<b>Corredor inmobiliario (V)</b>	<b>Agente a cargo de la operación</b>
<b>Nombre</b>	Ficus Bank		Omega Real Estate Broker Inc.	Alpha Real Estate Broker Co.	Epsilon Title Co.
<b>Dirección</b>	4321 Random Blvd. Somecity, ST 12340		789 Local Lane Sometown, ST 12345	987 Suburb Ct. Someplace, ST 12340	123 Commerce Pl. Somecity, ST 12344
<b>N.º de NMLS/licencia</b>			Z765416	Z61456	Z61616
<b>Contacto</b>	Joe S.		Samuel G.	Joseph C.	Sarah A.
<b>ID. de contacto de NMLS/licencia</b>	12345		P16415	P51461	PT1234
<b>Correo electrónico</b>	joesmith@ ficusbank.com		sam@omegare.biz	joe@alphare.biz	sarah@ epsilontitle.com
<b>Teléfono</b>	123-456-7890		123-555-1717	321-555-7171	987-555-4321

<b>Confirmación de recepción</b>			
Al firmar, usted solo confirma que ha recibido este formulario. No es necesario que acepte este préstamo por el hecho de haber firmado o recibido este formulario.			
Firma del solicitante		Firma del cosolicitante	
Fecha		Fecha	

DECLARACIÓN DE CIERRE PÁGINA 6 DE 6 • N.º DEL PRÉSTAMO 123456789

Round 1 – Loan Estimate, 5 year Interest Only, 5/3 Adjustable Rate, page 1

**FICUS BANK**

4321 Random Boulevard • Somers, CT 06083

Guarde esta estimación de préstamo para compararla con su declaración de cierre.

**Estimación de préstamo**

**FECHA DE EMISIÓN** 10/10/2012  
**SOLICITANTES** John A. and Mary B.  
 123 Anywhere Street  
 Anytown, ST 12345  
**INMUEBLE** 456 Somewhere Avenue  
 Anytown, ST 12345  
**PRECIO DE VENTA** \$180,000

**PLAZO DEL PRÉSTAMO** 30 años  
**FINALIDAD** Adquisición por compra  
**PRODUCTO** Por 5 años pago de intereses solamente, tasa ajustable 5/3  
**TIPO DE PRÉSTAMO**  Convencional  FHA  VA  \_\_\_\_\_  
**N.º DEL PRÉSTAMO** 123456789  
**BLOQUEO DE TASA**  NO  SÍ, hasta el 12/11/2012 a las 5:00 p. m. EDT

Antes del cierre, la tasa de interés, los puntos y los créditos del prestamista podrían cambiar, a menos que usted bloquee la tasa de interés. Todos los demás costos de cierre estimados estarán vigentes hasta el **10/24/2012** a las 5:00 p. m. EDT

Términos del préstamo		¿Puede aumentar este monto después del cierre?	
<b>Monto del préstamo</b>	\$211,000	<b>NO</b>	
<b>Tasa de interés</b>	4.375%	<b>SÍ</b>	<ul style="list-style-type: none"> <li>Se ajusta <b>cada tres años</b> a partir del sexto año</li> <li>Puede subir <b>hasta el 8 %</b> en el noveno año</li> <li>Para obtener más información, consulte <b>la tabla de tasas de interés ajustable en la página 2</b></li> </ul>
<b>Pago mensual de intereses y capital</b> <i>Consulte la sección de pagos proyectados para saber el total de su pago mensual</i>	\$769.27	<b>SÍ</b>	<ul style="list-style-type: none"> <li>Se ajusta <b>cada tres años</b> a partir del sexto año</li> <li>Puede subir <b>hasta \$1,622</b> en el noveno año</li> <li>Incluye <b>solo el interés y no el capital</b> hasta el sexto año</li> <li>Para obtener más información, consulte <b>la tabla de pago ajustable en la página 2</b></li> </ul>
<b>¿Tiene el préstamo estas características?</b>			
<b>Multa por pago anticipado</b>		<b>NO</b>	
<b>Pago final pactado o programado/Cuota extra final</b>		<b>NO</b>	

Pagos proyectados				
Cálculo de los pagos	Años 1 a 5	Años 6 a 8	Años 9 a 11	Años 12 a 30
Capital e intereses	\$769.27 <i>solo intereses</i>	\$1,233 min \$1,542 máx	\$1,233 min \$1,622 máx	\$1,233 min \$1,622 máx
Seguro hipotecario	+ 107	+ 107	+ 107	+ —
Depósito de garantía estimado <i>El monto puede aumentar con el paso del tiempo</i>	+ 533	+ 533	+ 533	+ 533
<b>Pago total mensual estimado</b>	<b>\$1,409</b>	<b>\$1,873–\$2,182</b>	<b>\$1,873–\$2,262</b>	<b>\$1,766–\$2,155</b>
<b>Impuestos, seguro y evaluaciones estimados</b> <i>El monto puede aumentar con el paso del tiempo</i>	\$533 al mes	<b>Esta estimación incluye</b> <input checked="" type="checkbox"/> Impuestos sobre la propiedad <input checked="" type="checkbox"/> Seguro de la vivienda <input type="checkbox"/> Otro:		<b>¿En depósito de garantía?</b> <b>SÍ</b> <b>SÍ</b>
Consulte la Sección G en la página 2 para informarse sobre el dinero depositado en una cuenta en garantía. Deberá pagar por separado los demás costos.				

Dinero en efectivo para el cierre	
<b>Dinero en efectivo estimado para el cierre</b>	<b>\$31,587</b> Incluye <b>\$8,587</b> por costos de cierre (\$4,527 por costos del préstamo + \$4,060 por otros costos – \$0 por créditos del prestamista). Consulte los detalles en la página 2.

Visite [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore) para información general y ayuda.

Round 1 – Loan Estimate, 5 year Interest Only, 5/3 Adjustable Rate, page 2

**Detalles de los costos del cierre**

**Costos del préstamo**

<b>A. Gastos por tramitación</b>	<b>\$2,850</b>
% del monto del préstamo (Puntos)	\$0
Cargo por el estudio del crédito	\$2,450
Cargos por la solicitud del préstamo	\$400

**B. Servicios que usted no puede contratar \$820**

Cargo por determinación de zonas de inundación	\$35
Cargo por informe de crédito	\$30
Cargos por investigación sobre situación tributaria	\$50
Cargo por tasación/avalúo	\$305
Honorarios del abogado del prestamista	\$400

**C. Servicios que usted puede contratar \$857**

Cargo por inspección de plagas	\$125
Cargo por peritaje (suelos)	\$150
Estudio de títulos de propiedad	\$150
Honorarios del agente a cargo de la operación de cierre	\$300
Póliza del título de propiedad del prestamista	\$132

**D. COSTOS TOTALES DEL PRÉSTAMO (A + B + C) \$4,527**

**Tabla de pagos ajustables (PA)**

¿Pago de interés solamente?	SÍ para los primeros 60 pagos
¿Pagos opcionales?	NO
¿Pagos escalonados?	NO
¿Pagos estacionales?	NO
<b>Pagos mensuales de capital e intereses</b>	
Primer cambio/Monto	\$1,233 – \$1,542 en el pago 61
Cambios subsiguientes	Cada tres años
Pago máximo	\$1,622 a partir del pago 108

ESTIMACIÓN DE PRÉSTAMO

**Otros costos**

<b>E. Impuestos y otros cargos gubernamentales \$152</b>	
Costos de registro y otros impuestos	\$152
Impuestos por transferencia de título	\$0

**F. Pagos anticipados \$1,205**

Impuestos sobre la propiedad (0 meses)	\$0
Pago anticipado de intereses	
(\$25.64 diarios durante 8 días a la tasa de 4.375 %)	\$205
Prima del seguro de hipoteca (0 meses)	\$0
Prima del seguro de la vivienda (6 meses)	\$1,000

**G. Pago inicial del depósito de garantía al cierre \$1,067**

Impuestos sobre la propiedad	
de \$450.00 por mes durante 2 meses	\$900
Seguro de hipoteca por mes durante 0 meses	
Seguro de la vivienda de \$83.33 por mes durante 2 meses	\$167

**H. Otros \$1,636**

Póliza del título de propiedad del propietario (opcional)	\$1,636
---	---------

**I. TOTAL DE OTROS COSTOS (E + F + G + H) \$4,060**

**J. TOTAL DE COSTOS DE CIERRE \$8,587**

D + I	\$8,587
Créditos del prestamista	\$0

**Cálculo del dinero en efectivo para el cierre**

Total de costos de cierre (J)	\$8,587
Costos de cierre financiados (incluidos en el monto del préstamo)	\$0
Pago inicial/Fondos del prestatario	\$29,000
Depósito	– \$5,000
Fondos para el prestatario	\$0
Créditos del vendedor	\$0
Ajustes y otros créditos	\$0
<b>Dinero en efectivo estimado para el cierre</b>	<b>\$31,587</b>

**Tabla de tasa de interés ajustable (TIA)**

Índice + Margen	Tasa LIBOR + 4%
Tasa de interés inicial	4.375%
Tasa de interés mínima/máxima	5%/8%
<b>Frecuencia de los cambios</b>	
Primer cambio	A partir del mes 61
Cambios subsiguientes	Cada 36 meses después del primer cambio
<b>Límites de cambios en la tasa de interés</b>	
Primer cambio	3%
Cambios subsiguientes	3%

PÁGINA 2 DE 3 • N.º DEL PRÉSTAMO 123456789



Round 1 – Closing Disclosure, 5 year Interest Only, 5/3 Adjustable Rate, page 1

## Declaración de cierre

Este formulario es una declaración sobre los términos y condiciones finales del préstamo y los costos de cierre. Compare este documento con su Estimación de préstamo.

### Información sobre el cierre

**Fecha de emisión** 12/03/2012  
**Fecha de cierre** 12/06/2012  
**Fecha de desembolso** 12/06/2012  
**Agente a cargo de la operación de cierre** Epsilon Title Co.  
**Archivo N.º** 12-3456  
**Inmueble** 456 Somewhere Ave  
 Anytown, ST 12345  
**Precio de venta** \$240,000

### Información sobre la transacción

**Prestatario** John A. and Mary B.  
 123 Anywhere Street  
 Anytown, ST 12345  
**Vendedor** Steve C. and Amy D.  
 321 Somewhere Drive  
 Anytown, ST 12345  
**Prestamista** Ficus Bank

### Información sobre el préstamo

**Plazo del préstamo** 30 años  
**Finalidad** Adquisición por compra  
**Producto** Por 5 años pago de intereses solamente, tasa ajustable 5/3  
**Tipo de préstamo**  Convencional  FHA  
 VA   
**N.º del préstamo** 123456789  
**N.º de MIC** 000654321

### Términos del préstamo

### ¿Puede aumentar este monto después del cierre?

<b>Monto del préstamo</b>	\$216,500	<b>NO</b>
<b>Tasa de interés</b>	4.375%	<b>SÍ</b> <ul style="list-style-type: none"> <li>Se ajusta <b>cada tres años</b> a partir del sexto año</li> <li>Puede subir <b>hasta el 8 %</b> en el noveno año</li> <li>Para obtener más información, consulte <b>la tabla de tasas de interés ajustable en la página 2</b></li> </ul>
<b>Pago mensual de intereses y capital</b> <i>Consulte los pagos proyectados que figuran a continuación para saber cuál es el total de su pago mensual</i>	\$789.32	<b>SÍ</b> <ul style="list-style-type: none"> <li>Se ajusta <b>cada tres años</b> a partir del sexto año</li> <li>Puede subir <b>hasta \$1,664</b> en el noveno año</li> <li>Incluye <b>solo el interés</b> y <b>no el capital</b> hasta el sexto año</li> <li>Para obtener más información, consulte <b>la tabla de pago ajustable en la página 2</b></li> </ul>
<b>¿Tiene el préstamo estas características?</b>		
<b>Multa por pago anticipado</b>		<b>NO</b>
<b>Pago final pactado o programado/Cuota extra final</b>		<b>NO</b>

### Pagos proyectados

Cálculo de los pagos	Años 1 a 5	Años 6 a 8	Años 9 a 11	Años 12 a 30
Capital e intereses	\$789.32 <i>interest only</i>	\$1,266 min \$1,582 max	\$1,266 min \$1,664 max	\$1,266 min \$1,664 max
Seguro hipotecario	+ 164.18	+ 164.18	+ 164.18	+ —
Depósito de garantía estimado <i>El monto puede aumentar con el paso del tiempo</i>	+ 699.50	+ 699.50	+ 699.50	+ 699.50
<b>Pago total mensual estimado</b>	<b>\$1,653.00</b>	<b>\$2,130 – \$2,446</b>	<b>\$2,130 – \$2,528</b>	<b>\$1,966 – \$2,364</b>

<b>Impuestos, seguro y evaluaciones estimados</b> <i>El monto puede aumentar con el paso del tiempo. Consulte los detalles en la página 4.</i>	\$842.09 por mes	<b>Esta estimación incluye</b>	<b>¿En depósito de garantía?</b>
		<input checked="" type="checkbox"/> Impuestos sobre la propiedad <input checked="" type="checkbox"/> Seguro de la vivienda <input type="checkbox"/> Otro: Asociación de propietarios	<b>SÍ</b> <b>SÍ</b> <b>NO</b>

*Consulte la página 4 para informarse sobre el dinero depositado en una cuenta en garantía para pagar los impuestos y el seguro. Deberá pagar por separado los demás costos relacionados con la propiedad.*

### Dinero en efectivo para el cierre

<b>Dinero en efectivo para el cierre</b>	\$29,826.23	Incluye \$13,533.29 por costos de cierre (\$4,818.00 por costos del préstamos + \$8,715.29 por otros costos – \$0 por créditos del prestamista). Consulte los detalles en la página 2.
--	-------------	--

Round 1 – Closing Disclosure, 5 year Interest Only, 5/3 Adjustable Rate, page 2

**Detalles de los costos de cierre**

Costos del préstamo	Pagados por el prestatario		Pagados por el vendedor		Pagados por otros
	Al cierre	Antes del cierre	Al cierre	Antes del cierre	
<b>A. Gastos por tramitación</b>	<b>\$2,850.00</b>				
01 % del monto del préstamo (Puntos)					
02 Cargo por bloqueo de tasa		\$525.00			
03 Cargo por corredor hipotecario para Friendly Mortgage Broker, Inc. por el prestamista					\$4,330.00
04 Cargo por el estudio del crédito	\$800.00				
05 Cargo por procesar	\$300.00				
06 Cargo por revisión alterna	\$150.00				
07 Cargo por Tramitación	\$1,000.00				
08 Cargo por verificación	\$75.00				
<b>B. Servicios que el prestatario no puede contratar</b>	<b>\$900.00</b>				
01 Abogado del prestamista para The Firm LLP	\$425.00				
02 Cargo por control de zonas de inundación para Monitoring Services Inc.	\$10.00				
03 Cargo por determinación de zonas de inundación para Collateral Research Inc.	\$35.00				
04 Cargo por fiscalización tributaria para Servicios de monitoreo Inc.	\$15.00				
05 Cargo por informe de crédito para Credit Co.	\$30.00				
06 Cargo por investigación sobre situación tributaria para Monitoring Services Inc.	\$25.00				
07 Cargo por preparación de documentos para Collateral Research Inc.	\$55.00				
08 Cargo por tasación /avalúo para Local Appraisal Co.		\$305.00			
09					
<b>C. Servicios que el prestatario puede contratar</b>	<b>\$1,068.00</b>				
01 Cargo por Garantía del Título para Title Ins. Guar. Assn. por el prestamista	\$1.00				\$1.00
02 Cargo por inspección de plagas para Home Pest Co.	\$125.00				
03 Cargo por mensajería del título para Quick Delivery Co	\$32.00				
04 Cargo por peritaje (suelos) para ABC Survey, Co.	\$160.00				
05 Estudio de títulos de propiedad para Regional Title Co	\$225.00				
06 Honorarios del agente a cargo de la operación del título de Inmueble para ABC Settlement Co.	\$425.00				
07 Título – Póliza del prestamista para Regional Title Co.	\$100.00				
<b>D. COSTOS TOTALES DEL PRÉSTAMO (Pagados por el prestatario)</b>	<b>\$4,818.00</b>				
Subtotales de los costos del préstamo (A + B + C)	\$3,988.00	\$830.00			
<b>Otros costos</b>					
<b>E. Impuestos y otros cargos gubernamentales</b>	<b>\$152.00</b>				
01 Costos de registro y otros impuestos por registro del título de Inmueble: \$120.00 Hipoteca: \$32.00	\$152.00				
02					
<b>F. Pagos anticipados</b>	<b>\$2,543.48</b>				
01 Impuestos sobre la propiedad (6 meses) para Any County USA	\$1,460.00				
02 Pago anticipado de intereses \$26.31 por día del 12/06/2012 al 01/01/2013	\$210.48				
03 Prima del seguro de hipoteca ( meses)					
04 Prima del seguro de la vivienda (12 meses) para Insurance Co.					
05 Prima del seguro por ventarrón ( 12 meses) para YYZ Ins. Co.	\$873.00				
<b>G. Pago inicial del depósito de garantía al cierre</b>	<b>\$2,793.50</b>				
01 Ajuste Depósito de garantía para Impuestos	\$695.00				
02 Asociación de propietarios/Condominio/Cooperativa mensual por mes					
03 Impuestos sobre la propiedad de \$505.80 por mes, durante 3 meses	\$1,515.24				
04 Seguro de hipoteca por mes, durante					
05 Seguro de la vivienda de \$121.67 por mes, durante 3 meses	\$365.01				
06 Seguro por ventarrón de \$72.75 por mes, durante 3 meses	\$218.25				
07 Ajuste acumulado					
<b>H. Otros costos</b>	<b>\$3,226.31</b>				
01 \$6,000.00 para Reliable Realty Co. / \$6,000.00 para Realty Pros LLC			\$12,000.00		
02 Agente a cargo de la operación a domicilio para Quick Signing Co.	\$150.00				
03 Cargo por garantía de la propiedad para XYZ Warranty Inc.	\$260.31				
04 Cargos por inspección estructural para Home Engineering Corp.	\$325.00				
05 Cargo por inspección para Inspector Home, Inc.				\$300.00	
06 Cargo por procesar Asociación de propietarios para HOA Corp.	\$700.00				
07 Comisión administrativa por transacción inmobiliaria para Reliable Realty Co.	\$200.00				
08 Póliza del título de propiedad del propietario para Regional Title Co.	\$1,591.00				
<b>I. TOTAL DE OTROS COSTOS (pagados por el prestatario)</b>	<b>\$8,715.29</b>				
Subtotal de otros costos (E + F + G + H)	\$8,715.29	\$0			
<b>J. TOTAL DE COSTOS DE CIERRE (pagados por el prestatario)</b>	<b>\$13,533.29</b>				
Subtotales de costos de cierre (D + I)	\$12,703.29	\$830.00	\$12,000.00W	\$300.00	\$4,331.00
Créditos del prestamista					

DECLARACIÓN DE CIERRE

PÁGINA 2 DE 6 • N.º DEL PRÉSTAMO 123456789

APPENDIX C: ROUND 1 SPANISH DISCLOSURES



Round 1 – Closing Disclosure, 5 year Interest Only, 5/3 Adjustable Rate, page 3

**Cálculo del dinero en efectivo para el cierre**

Utilice esta tabla para saber lo que ha cambiado en su Estimación de préstamo.

	Estimación	Final	¿Esto cambió?
Total de costos de cierre (J)	\$9,120	\$13,533.29	<b>SÍ</b> • Consulte los <b>costos totales del préstamo (D)</b> y el <b>total de otros costos (I)</b>
Costos de cierre pagados antes del cierre	\$0	– \$830.00	<b>SÍ</b> • Pagó estos costos de cierre <b>antes del cierre</b>
Costos de cierre financiados (incluidos en el monto del préstamo)	\$0	– \$5,500.00	<b>SÍ</b> • Incluyó los costos de cierre financiados (incluidos en el monto del préstamo) que a su vez aumentaron el monto del préstamo
Pago inicial/Fondos del prestatario	\$29,000	\$29,000.00	<b>NO</b>
Depósito	– \$5,000	– \$5,000.00	<b>NO</b>
Fondos para el prestatario			<b>NO</b>
Créditos del vendedor	– \$1,000	– \$1,000.00	<b>NO</b>
Ajustes y otros créditos	\$0	– \$377.06	<b>SÍ</b> • Consulte los detalles en las <b>secciones K y L</b>
<b>Dinero en efectivo para el cierre</b>	<b>\$32,120</b>	<b>\$29,826.23</b>	

**Resúmenes de transacciones**

Utilice esta tabla para ver el resumen de su transacción.

**TRANSACCIONES DEL PRESTATARIO**

<b>K. Pagaderos por el prestatario al cierre</b>		<b>\$253,170.79</b>
01	Precio de venta de la propiedad	\$240,000.00
02	Precio de venta de cualquier propiedad personal incluida en la venta	
03	Costos de cierre pagados al cierre (J)	\$12,703.29
04		
<b>Ajustes</b>		
05		
06		
07		
<b>Ajustes para los artículos pagados por el vendedor por anticipado</b>		
08	Impuestos municipales para	
09	Impuestos del condado para	
10	Evaluaciones estimadas para	
11	Obligaciones con respecto a la Asociación de propietarios	
	12/06/2012 al 12/31/2012	\$467.50
12		
13		
14		
15		
<b>L. Pagado por el prestatario, o en su nombre, al cierre</b>		<b>\$223,344.56</b>
01	Depósito	\$5,000.00
02	Monto del préstamo del prestatario	\$216,500.00
03	Préstamos existentes atribuidos o adquiridos sujetos a	
04		
05	Crédito del vendedor	\$1,000.00
<b>Otros créditos</b>		
06		
07		
<b>Ajustes</b>		
08		
09		
10		
11		
<b>Ajustes para los artículos no pagados por el vendedor</b>		
12	Impuestos municipales del 10/01/2012 al 12/06/2012	\$844.56
13	Impuestos del condado al	
14	Evaluaciones estimadas al	
15		
16		
17		
<b>CÁLCULO</b>		
Total pagadero por el prestatario al cierre (K)		\$253,170.79
Total pagado por el prestatario, o en su nombre, al cierre (L)		– \$223,344.56
<b>Dinero en efectivo para el cierre</b>		
<input checked="" type="checkbox"/>	<b>de <input type="checkbox"/> para el prestatario</b>	<b>\$29,826.23</b>

**TRANSACCIONES DEL VENDEDOR**

<b>M. Pagaderos al vendedor al cierre</b>		<b>\$180,085.00</b>
01	Precio de venta de la propiedad	\$180,000.00
02	Precio de venta de cualquier propiedad personal incluida en la venta	
03		
04		
05		
06		
07		
08		
<b>Ajustes para los artículos pagados por el vendedor por anticipado</b>		
09	Impuestos municipales para	
10	Impuestos del condado para	
11	Evaluaciones estimadas para	
12	Obligaciones con respecto a la Asociación de propietarios	
	12/06/2012 al 12/31/2012	\$467.50
13		
14		
15		
16		
<b>N. Pagaderos por el vendedor al cierre</b>		<b>\$115,562.39</b>
01	Depósito excedente	
02	Costos de cierre pagados al cierre (J)	\$12,000.00
03	Préstamos existentes atribuidos o adquiridos sujetos a	
04	Pago del primero préstamo hipotecario	\$79,162.87
05	Pago del segundo préstamo hipotecario	
06		
07		
08	Crédito del vendedor	\$1,000.00
09		
10		
11		
12		
13		
<b>Ajustes para los artículos no pagados por el vendedor</b>		
14	Impuestos municipales del 10/01/2012 al 12/06/2012	\$844.56
15	Impuestos del condado al	
16	Evaluaciones estimadas al	
17		
18		
19		
<b>CÁLCULO</b>		
Total pagadero al vendedor al cierre (M)		\$240,467.50
Total pagadero por el vendedor al cierre (N)		– \$93,007.43
<b>Dinero en efectivo</b>		
<input type="checkbox"/>	<b>de <input checked="" type="checkbox"/> para el vendedor</b>	<b>\$147,460.07</b>

DECLARACIÓN DE CIERRE

PÁGINA 3 DE 6 • N.º DEL PRÉSTAMO 123456789

## Información adicional sobre este préstamo

### Declaraciones del préstamo

#### Amortización negativa (aumento del monto del préstamo)

De acuerdo con los términos de su préstamo, usted

- debe realizar pagos mensuales programados que no incluyen todos los intereses adeudados para ese mes. Como consecuencia, el monto de su préstamo aumentará (amortización negativa) y posiblemente, será más alto que el monto original del préstamo. Los aumentos del monto de su préstamo disminuyen su participación en el patrimonio que usted tiene en esta Inmueble.
- puede tener pagos mensuales que no incluyan todos los intereses adeudados para ese mes. Si los tiene, el monto de su préstamo aumentará (amortización negativa) y, como consecuencia, puede ser más alto que el monto original del préstamo. Los aumentos del monto de su préstamo disminuyen su participación en el patrimonio de esta Inmueble.
- no incluye una característica de amortización negativa.

#### Característica de demanda

Su préstamo

- incluye una característica de demanda, que le permite a su prestamista exigir el pago anticipado del préstamo. Debe revisar su pagaré para obtener detalles.
- no incluye una característica de demanda.

#### Cuenta de depósito de garantía

**Por ahora**, su préstamo

- tendrá una cuenta de depósito de garantía (también llamada cuenta de "depósito en garantía" o cuenta de "fideicomiso") para pagar los costos de la propiedad que se detallan a continuación. Sin una cuenta de depósito de garantía, usted pagaría estos costos directamente, tal vez en un pago grande o en dos pagos al año. Es posible que su prestamista sea responsable de las sanciones y los intereses que resulten de la falta de pago.

Depósito de garantía		
Costos de dinero depositado en una cuenta en garantía para pagar los impuestos y el seguro durante el año 1	\$8,394.00	Monto total estimado durante el primer año para sus costos de la propiedad con depósito de garantía: <i>Seguro de la vivienda</i> <i>Impuestos sobre la propiedad</i> <i>Seguro por ventarrón</i>
Costos de la propiedad sin depósito de garantía durante el año 1	\$1,711.08	Monto total estimado durante el primer año para sus costos de la propiedad sin depósito de garantía: <i>Obligaciones de la Asociación de Propietarios</i> Es posible que tenga que pagar otros costos de la propiedad.
Pago inicial	\$2,793.50	Respaldo para la cuenta de depósito de garantía que usted paga al cierre. Consulte la Sección G en la página 2.
Pago mensual	\$699.50	El monto incluido en su pago mensual total

- no tendrá una cuenta de depósito de garantía porque  usted la rechazó  y su prestamista no la exige o no la ofrece. Usted debe pagar directamente sus costos de la propiedad, como los impuestos y el seguro de la vivienda. Comuníquese con su prestamista para preguntarle si su préstamo puede contar con una cuenta de depósito de garantía.

Sin depósito de garantía		
Costos de la propiedad estimados durante el año 1		Monto total estimado durante el primer año. Usted debe pagar estos costos directamente, posiblemente en un pago grande o en dos pagos al año.
Comisión por renuncia al depósito de garantía		

#### En el futuro,

Es posible que los costos de la propiedad cambien y, como consecuencia, su pago del depósito de garantía podrá variar. Puede cancelar su cuenta de depósito de garantía, pero si lo hace, debe pagar sus costos de la propiedad directamente. Si no paga los impuestos sobre la propiedad, el estado o gobierno local pueden 1) imponer multas o sanciones o 2) imponer un embargo fiscal a esta propiedad. Si no paga ninguno de estos costos de la propiedad, su prestamista puede 1) agregar los montos al saldo de su préstamo, 2) agregar una cuenta de depósito de garantía a su préstamo o 3) exigirle que pague un seguro para la propiedad, que el prestamista adquiere en su nombre, y que tal vez tendrá un costo más alto y le brindará menos beneficios que el que podría adquirir por su cuenta.

### Tabla de pagos ajustables (PA)

¿Pago de interés solamente?	SÍ	para los primeros 60 pagos
¿Pagos opcionales?	NO	
¿Pagos escalonados?	NO	
¿Pagos estacionales?	NO	
<b>Pagos mensuales de capital e intereses</b>		
Primer cambio/Monto	\$1,266	– \$1,582 en el pago 61
Cambios subsiguientes		Cada tres años
Pago máximo	\$1,664	a partir del pago 108

### Tabla de tasa de interés ajustable (TIA)

Índice + Margen	Tasa LIBOR + 4%
Tasa de interés inicial	4.375%
Tasa de interés mínima/máxima	5%/8%
<b>Frecuencia de los cambios</b>	
Primer cambio	A partir del mes 61
Cambios subsiguientes	Cada 36 meses después del primer cambio
<b>Límites de cambios en la tasa de interés</b>	
Primer cambio	3%
Cambios subsiguientes	3%

DECLARACIÓN DE CIERRE

PÁGINA 4 DE 6 • N.º DEL PRÉSTAMO 123456789

Round 1 – Closing Disclosure, 5 year Interest Only, 5/3 Adjustable Rate, page 5

**Declaraciones del préstamo**

**Intereses de garantía**

Se le otorga un interés de garantía en \_\_\_\_\_  
 456 Somewhere Ave., Anytown, ST 12345

Usted puede perder esta propiedad si no cumple con sus pagos o con el resto de las obligaciones de este préstamo.

**Pago atrasado**

Si su pago presenta un retraso de más de 15 días, le cobraremos un recargo del 5 % sobre el monto total de los intereses y el capital que paga mensualmente.

**Pago parcial**

Su prestamista

aceptará pagos menores al monto total adeudado (pagos parciales). Se aplicarán pagos parciales:

no acepta pagos parciales.

Si este préstamo se vende, es posible que su nuevo prestamista tenga una política diferente.

**Supuestos**

Si usted vende o transfiere esta propiedad a otra persona,

su prestamista permitirá, en determinadas condiciones, que esta persona asuma este préstamo con sus términos y condiciones originales.

no permitirá la presunción de este préstamo.

**Cálculos del préstamo**

<b>Pagos totales.</b> Total que habrá pagado después de haber hecho todos los pagos de capital, intereses, seguro hipotecario y costos del préstamo, según lo programado.	\$704,172.58
<b>Cargo financiero.</b> El monto en dólares que le costará el préstamo.	\$239,364.26
<b>Monto financiado.</b> El monto en dólares disponible después de que pague el cargo financiero inicial.	\$212,989.52
<b>Tasa porcentual anual (APR).</b> Sus costos durante el plazo del préstamo, expresados como una tasa. Esta no es su tasa de interés.	5.61%
<b>Total de intereses pagados (TIP).</b> El monto total de los intereses que pagará durante el plazo del préstamo, expresado como porcentaje del monto total del préstamo.	99.01%
<b>Costo aproximado de los fondos (CAF).</b> El costo aproximado de los fondos utilizados para este préstamo. Este no es un costo directo para usted.	1.22%

**Otras declaraciones**

**Deducciones tributarias**

Si adquiere una deuda mayor al valor de esta Inmueble, los intereses del monto del préstamo que sean superiores al valor real de mercado no se deducirán de sus impuestos federales sobre la renta. Debería consultar con un asesor impositivo para obtener más información.

**Detalles del contrato**

Consulte su pagaré y su instrumento de garantía para obtener información sobre lo siguiente:

- ¿Qué sucede si no hace sus pagos?
- ¿Qué es un incumplimiento de pago del préstamo?
- Situaciones en que su prestamista puede exigirle que pague el préstamo por anticipado.
- Las reglas para realizar pagos antes de la fecha estipulada.

**Refinanciamiento**

El refinanciamiento de este préstamo dependerá de su situación financiera futura, del valor del Inmueble y de las condiciones del mercado. Es posible que no se le pueda refinarciar este préstamo.

**Responsabilidad luego de la ejecución de la hipoteca**


Si su prestamista ejecuta la hipoteca sobre este inmueble y dicha ejecución no cubre el monto de saldo pendiente de este préstamo:

La ley estatal de puede protegerlo contra la responsabilidad de pagar el saldo pendiente. Si vuelve a financiar o adquiere otra deuda sobre esta Inmueble, puede perder esta protección y tendrá que pagar la deuda restante después de la ejecución de la hipoteca. Le recomendamos que consulte con un abogado para obtener más información.

La ley estatal no lo protege contra la responsabilidad de pagar el saldo pendiente.

**Tasación**

Si la propiedad fue tasada para su préstamo, su prestamista debe proporcionarle una copia sin costo adicional, al menos tres días antes del cierre. Si aún no la ha recibido, comuníquese con su prestamista utilizando la información que se brinda a continuación.



**¿Tiene preguntas?** Si tiene preguntas sobre los términos y costos del préstamo que se establecen en este formulario, comuníquese con su prestamista. Para obtener más información o para presentar un reclamo, comuníquese con la Oficina de Protección Financiera del Consumidor en [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore).

Round 1 – Closing Disclosure, 5 year Interest Only, 5/3 Adjustable Rate, page 6

**Información de contacto**

	Prestamista	Corredor hipotecario	Corredor inmobiliario (P)	Corredor inmobiliario (V)	Agente a cargo de la operación
<b>Nombre</b>	Ficus Bank		Omega Real Estate Broker Inc.	Alpha Real Estate Broker Co.	Epsilon Title Co.
<b>Dirección</b>	4321 Random Blvd. Somecity, ST 12340		789 Local Lane Sometown, ST 12345	987 Suburb Ct. Someplace, ST 12340	123 Commerce Pl. Somecity, ST 12344
<b>N.º de NMLS/licencia</b>			Z765416	Z61456	Z61616
<b>Contacto</b>	Joe S.		Samuel G.	Joseph C.	Sarah A.
<b>ID. de contacto de NMLS/licencia</b>	12345		P16415	P51461	PT1234
<b>Correo electrónico</b>	joesmith@ ficusbank.com		sam@omegare.biz	joe@alphare.biz	sarah@ epsilontitle.com
<b>Teléfono</b>	123-456-7890		123-555-1717	321-555-7171	987-555-4321

**Confirmación de recepción**

Al firmar, usted solo confirma que ha recibido este formulario. No es necesario que acepte este préstamo por el hecho de haber firmado o recibido este formulario.

\_\_\_\_\_  
Firma del solicitante

\_\_\_\_\_  
Fecha

\_\_\_\_\_  
Firma del cosolicitante

\_\_\_\_\_  
Fecha





# Appendix

# D

## Round 2 – Spanish Disclosures

Round 2 – Loan Estimate, 7 year Fixed Rate with Balloon Payment, page 1

POST-PROPOSAL CONSUMER TESTING OF THE SPANISH AND REFINANCE INTEGRATED TILA-RESPA DISCLOSURES

**POPLAR BANK**

4321 Random Boulevard • Somecity, AZ 12340

Guarde esta estimación de préstamo para compararla con su declaración de cierre.

**Estimación de préstamo**

**FECHA DE EMISIÓN** 11/15/2012  
**SOLICITANTES** John A. and Mary B.  
 123 Anywhere Street  
 Anytown, AZ 12345  
**INMUEBLE** 456 Somewhere Avenue  
 Anytown, AZ 12345  
**PRECIO DE VENTA** \$186,000

**PLAZO DEL PRÉSTAMO** 7 años  
**FINALIDAD** Adquisición por compra  
**PRODUCTO** Tasa fija con pago final pactado o programado / Cuota extra final  
**TIPO DE PRÉSTAMO**  Convencional  FHA  VA  \_\_\_\_\_  
**N.º DEL PRÉSTAMO** 123456789  
**BLOQUEO DE TASA**  NO  SÍ, hasta el 01/22/2013 a las 5:00 p. m. EDT

Antes del cierre, la tasa de interés, los puntos y los créditos del prestamista podrían cambiar, a menos que usted bloquee la tasa de interés. Todos los demás costos de cierre estimados estarán vigentes hasta el 12/3/2012 a las 5:00 p. m. EDT

Términos del préstamo		¿Puede aumentar este monto después del cierre?
<b>Monto del préstamo</b>	\$176,000	<b>NO</b>
<b>Tasa de interés</b>	4.625%	<b>NO</b>
<b>Pago mensual de intereses y capital</b> <i>Consulte la sección de pagos proyectados para saber el total de su pago mensual</i>	\$1,038.36	<b>NO</b>
<b>¿Tiene el préstamo estas características?</b>		
<b>Multa por pago anticipado</b>		<b>NO</b>
<b>Cuota extraordinaria</b>		<b>SÍ</b> Deberá pagar <b>\$154,616</b> al final del año 7.

Pagos proyectados		
Cálculo de los pagos	Años 1 a 7	Pago final
Capital e intereses	\$904.89	
Seguro hipotecario	+ 133.47	
Escrow estimado <i>El monto puede aumentar con el paso del tiempo</i>	+ 338	
<b>Pago total mensual estimado</b>	<b>\$1,376.36</b>	<b>\$154,616.00</b>
<b>Impuestos, seguro y evaluaciones estimados</b> <i>El monto puede aumentar con el paso del tiempo</i>	\$338 por mes	<b>¿En escrow?</b> <b>SÍ</b> <b>SÍ</b>
	<b>Esta estimación incluye</b> <input checked="" type="checkbox"/> Impuestos sobre la propiedad <input checked="" type="checkbox"/> Seguro de la vivienda <input type="checkbox"/> Otro:	
	<i>Consulte la Sección G en la página 2 para informarse sobre el dinero depositado en una cuenta de reserva para impuestos y seguros. Deberá pagar por separado los demás costos.</i>	

Dinero en efectivo para el cierre	
<b>Dinero en efectivo estimado para el cierre</b>	\$15,376 Incluye <b>\$10,376</b> por costos de cierre (\$6,853 por costos del préstamo + \$3,523 por otros costos – \$0 por créditos del prestamista). Consulte los detalles en la página 2

Visite [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore) para información general y ayuda.

## Round 2 – Loan Estimate, 7 year Fixed Rate with Balloon Payment, page 2

### Detalles de los costos del cierre

#### Costos del préstamo

<b>A. Gastos por tramitación</b>	<b>\$2,950</b>
% del monto del préstamo (Puntos)	\$0
Cargos administrativos	\$750
Cargo por el estudio del crédito	\$1,200
Cargos por procesamiento	\$200
Cargos por verificación	\$800

#### B. Servicios que usted no puede contratar \$1,140

Cargo por determinación de zonas de inundación	\$50
Cargo por informe de crédito	\$30
Cargos por investigación sobre situación tributaria	\$110
Cargos por preparación de documentación	\$135
Cargos por revisión alterna	\$125
Cargo por valoración de la vivienda	\$685

#### C. Servicios que usted puede contratar \$2,763

Cargo por inspección de plagas	\$106
Cargo por peritaje (suelos)	\$125
Honorarios del abogado del deudor	\$400
Póliza del título de propiedad del prestamista	\$511
Título: Cargos por otros servicios	\$1,531

#### D. COSTOS TOTALES DEL PRÉSTAMO (A + B + C) \$6,853

#### Otros costos

<b>E. Impuestos y otros cargos gubernamentales</b>	<b>\$1,540</b>
Costos de registro y otros impuestos	\$1,425
Impuestos por transferencia de título	\$115

#### F. Pagos anticipados \$1,039

Impuestos sobre la propiedad (0 meses)	\$0
Pago anticipado de intereses	
(\$21.61 por día durante 15 días a la tasa de 3.875 %)	\$339
Prima del seguro de hipoteca (0 meses)	\$0
Prima del seguro de la vivienda (6 meses)	\$700

#### G. Pago inicial del escrow al cierre \$944

Impuestos sobre la propiedad	\$222.00 por mes durante 2 meses	\$444
Seguro de hipoteca	\$133.47 por mes durante 2 meses	\$267
Seguro de la vivienda	\$116.67 por mes durante 2 meses	\$233

#### H. Otros \$0

#### I. TOTAL DE OTROS COSTOS (E + F + G + H) \$3,523

#### J. TOTAL DE COSTOS DE CIERRE \$10,376

D + I	\$10,376
Créditos del prestamista	\$0

#### Cálculo del dinero en efectivo para el cierre

Total de costos de cierre (J)	\$10,376
Costos de cierre financiados (incluidos en el monto del préstamo)	– \$5,000
Pago inicial/Fondos del prestatario	\$10,000
Depósito	– \$9,000
Fondos para el prestatario	\$0
Créditos del vendedor	\$0
Ajustes y otros créditos	\$0
<b>Dinero en efectivo estimado para el cierre</b>	<b>\$15,376</b>



Round 2 – Loan Estimate, 7 year Fixed Rate with Balloon Payment, page 3

**Información adicional sobre este préstamo**

**PRESTAMISTA** Poplar Bank  
**N.º DE NMLS/LICENCIA**  
**AGENTE DE PRÉSTAMO** Joe Smith  
**N.º DEL NMLS** 12345  
**CORREO ELECTRÓNICO** jsmith@poplarbank.com  
**TELÉFONO** 123-456-7890

**CORREDOR HIPOTECARIO** Pecan Mortgage Broker Inc.  
**N.º DE NMLS/LICENCIA** 222222  
**AGENTE DE PRÉSTAMO** Jane Jones  
**N.º DE NMLS** 67890  
**CORREO ELECTRÓNICO** jjones@pecanmortgagebroker.com  
**TELÉFONO** 333-444-5555

**Comparaciones**

Utilice estas medidas para comparar este préstamo con otros.

<b>En 5 años</b>	<b>\$70,695</b> total que habrá pagado en capital, intereses, seguro hipotecario y costos del préstamo. <b>\$15,261</b> capital principal que habrá amortizado.
<b>Tasa porcentual anual (APR)</b>	<b>6.06%</b> sus costos durante el plazo del préstamo expresados como una tasa. Esta no es su tasa de interés.
<b>Total de intereses pagados a lo largo del plazo del préstamo (TIP)</b>	<b>30.64%</b> el monto total de intereses que pagará durante el plazo del préstamo como porcentaje del monto del préstamo.

**Otras consideraciones**

**Administración del préstamo**

Nuestra intención es  
 brindarle servicios de administración de su préstamo. De ser así, usted emitirá los pagos a nuestro nombre.  
 transferir los servicios de administración de su préstamo.

**Pago atrasado**

Si su pago presenta un retraso de más de 15 días, le cobraremos un recargo del 5 % sobre el monto total de los intereses y el capital que paga mensualmente.

**Refinanciamiento**

El refinanciamiento de este préstamo dependerá de su situación financiera futura, del valor de la propiedad y de las condiciones del mercado. Es posible que no se le pueda refinanciar este préstamo.

**Seguro de la vivienda**

Este préstamo exige un seguro de la vivienda, que puede obtenerse de una empresa que usted seleccione y que nosotros consideremos aceptable.

**Supuestos**

Si usted vende o transfiere esta propiedad a otra persona,  
 permitiremos, en determinadas condiciones, que esta persona asuma este préstamo con sus términos y condiciones originales.  
 no permitiremos que esta persona asuma este préstamo con sus términos y condiciones originales.

**Valoración de la vivienda**

Es posible que pidamos una valoración de la vivienda para determinar el valor de la propiedad y que le cobremos por esta valoración de la vivienda. Inmediatamente, le daremos una copia de la tasación aunque su préstamo no se cierre. Puede pagar para que se haga otra valoración de la vivienda más para su uso personal y esta correrá por su cuenta.

**Confirmación de recepción**

Al firmar, usted solo confirma que ha recibido este formulario. No es necesario que acepte este préstamo por el hecho de haber firmado o recibido este formulario.

Firma del solicitante

Fecha

Firma del cosolicitante

Fecha

Round 2 – Closing Disclosure, 5 year Interest Only, 5/3 Adjustable Rate, page 1

## Declaración de cierre

Este formulario es una declaración sobre los términos y condiciones finales del préstamo y los costos de cierre. Compare este documento con su Estimación de préstamo.

### Información sobre el cierre

**Fecha de emisión** 12/03/2012  
**Fecha de cierre** 12/06/2012  
**Fecha de desembolso** 12/06/2012  
**Agente a cargo de la operación de cierre** Epsilon Title Co.  
**Archivo N.º** 12-3456  
**Inmueble** 456 Somewhere Ave  
 Anytown, AZ 12345  
**Precio de venta** \$240,000

### Información sobre la transacción

**Prestatario** John A. and Mary B.  
 123 Anywhere Street  
 Anytown, AZ 12345  
**Vendedor** Steve C. and Amy D.  
 321 Somewhere Drive  
 Anytown, AZ 12345  
**Prestamista** Ficus Bank

### Información sobre el préstamo

**Plazo del préstamo** 30 años  
**Finalidad** Adquisición por compra  
**Producto** Por 5 años pago de intereses solamente, tasa ajustable 5/3  
**Tipo de préstamo**  Convencional  FHA  
 VA   
**N.º del préstamo** 123456789  
**N.º de MIC** 000654321

### Términos del préstamo

### ¿Puede aumentar este monto después del cierre?

<b>Monto del préstamo</b>	\$216,500	<b>NO</b>
<b>Tasa de interés</b>	4.375%	<b>SÍ</b> <ul style="list-style-type: none"> <li>Se ajusta <b>cada tres años</b> a partir del sexto año</li> <li>Puede subir <b>hasta el 8 %</b> en el noveno año</li> <li>Para obtener más información, consulte <b>la tabla de tasas de interés ajustable en la página 2</b></li> </ul>
<b>Pago mensual de intereses y capital</b> <i>Consulte los pagos proyectados que figuran a continuación para saber cuál es el total de su pago mensual</i>	\$789.32	<b>SÍ</b> <ul style="list-style-type: none"> <li>Se ajusta <b>cada tres años</b> a partir del sexto año</li> <li>Puede subir <b>hasta \$1,664</b> en el noveno año</li> <li>Incluye <b>solo el interés y no el capital</b> hasta el sexto año</li> <li>Para obtener más información, consulte <b>la tabla de pago ajustable en la página 2</b></li> </ul>
<b>Multa por pago anticipado</b>		<b>NO</b>
<b>Cuota extraordinaria</b>		<b>NO</b>

### ¿Tiene el préstamo estas características?

### Pagos proyectados

Cálculo de los pagos	Años 1 a 5	Años 6 a 8	Años 9 a 11	Años 12 a 30
Capital e intereses	\$789.32 <i>interest only</i>	\$1,266 min \$1,582 max	\$1,266 min \$1,664 max	\$1,266 min \$1,664 max
Seguro hipotecario	+ 164.18	+ 164.18	+ 164.18	+ —
Escrow estimado <i>El monto puede aumentar con el paso del tiempo</i>	+ 699.50	+ 699.50	+ 699.50	+ 699.50
<b>Pago total mensual estimado</b>	<b>\$1,653.00</b>	<b>\$2,130 – \$2,446</b>	<b>\$2,130 – \$2,528</b>	<b>\$1,966 – \$2,364</b>
<b>Impuestos, seguro y evaluaciones estimados</b> <i>El monto puede aumentar con el paso del tiempo. Consulte los detalles en la página 4.</i>	\$842.09 por mes	<b>Esta estimación incluye</b> <input checked="" type="checkbox"/> Impuestos sobre la propiedad <input checked="" type="checkbox"/> Seguro de la vivienda <input checked="" type="checkbox"/> Otro: Seguro de ventarrón, Asociación de propietarios		<b>¿En escrow?</b> <b>SÍ</b> <b>SÍ</b> <b>UNA PARTE</b>
		<i>Consulte la página 4 para informarse sobre el dinero depositado en una cuenta en garantía para pagar los impuestos y el seguro. Deberá pagar por separado los demás costos relacionados con la propiedad.</i>		

### Dinero en efectivo para el cierre

<b>Dinero en efectivo para el cierre</b>	\$29,826.23	Incluye \$13,533.29 por costos de cierre (\$4,818.00 por costos del préstamos + \$8,715.29 por otros costos – \$0 por créditos del prestamista). Consulte los detalles en la página 2.
--	-------------	--

Round 2 – Closing Disclosure, 5 year Interest Only, 5/3 Adjustable Rate, page 2

POST-PROPOSAL CONSUMER TESTING OF THE SPANISH AND REFINANCE INTEGRATED TILA-RESPA DISCLOSURES

**Detalles de los costos de cierre**

Costos del préstamo		Pagados por el prestatario		Pagados por el vendedor		Pagados por otros
		Al cierre	Antes del cierre	Al cierre	Antes del cierre	
<b>A. Gastos por tramitación</b>		<b>\$2,850.00</b>				
01	% del monto del préstamo (Puntos)					
02	Cargo por bloqueo de tasa		\$525.00			
03	Cargo por corredor hipotecario para Friendly Mortgage Broker, Inc. por el prestamista					\$4,330.00
04	Cargo por el estudio del crédito	\$800.00				
05	Cargo por procesar	\$300.00				
06	Cargo por revisión alterna	\$150.00				
07	Cargo por Tramitación	\$1,000.00				
08	Cargo por verificación	\$75.00				
<b>B. Servicios que el prestatario no puede contratar</b>		<b>\$900.00</b>				
01	Abogado del prestamista para The Firm LLP	\$425.00				
02	Cargo por control de zonas de inundación para Monitoring Services Inc.	\$10.00				
03	Cargo por determinación de zonas de inundación para Collateral Research Inc.	\$35.00				
04	Cargo por fiscalización tributaria para Servicios de monitoreo Inc.	\$15.00				
05	Cargo por informe de crédito para Credit Co.	\$30.00				
06	Cargo por investigación sobre situación tributaria para Monitoring Services Inc.	\$25.00				
07	Cargo por preparación de documentos para Collateral Research Inc.	\$55.00				
08	Cargo por valoración de la vivienda para Local Appraisal Co.		\$305.00			
09						
<b>C. Servicios que el prestatario puede contratar</b>		<b>\$1,068.00</b>				
01	Cargo por Garantía del Título para Title Ins. Guar. Assn. por el prestamista	\$1.00				\$1.00
02	Cargo por inspección de plagas para Home Pest Co.	\$125.00				
03	Cargo por mensajería del título para Quick Delivery Co	\$32.00				
04	Cargo por peritaje (suelos) para ABC Survey, Co.	\$160.00				
05	Estudio de títulos de propiedad para Regional Title Co	\$225.00				
06	Honorarios del agente a cargo de la operación del título de Inmueble para ABC Settlement Co.	\$425.00				
07	Título – Póliza del prestamista para Regional Title Co.	\$100.00				
<b>D. COSTOS TOTALES DEL PRÉSTAMO (Pagados por el prestatario)</b>		<b>\$4,818.00</b>				
Subtotales de los costos del préstamo (A + B + C)		\$3,988.00	\$830.00			
<b>Otros costos</b>						
<b>E. Impuestos y otros cargos gubernamentales</b>		<b>\$152.00</b>				
01	Costos de registro y otros impuestos por registro del título de Inmueble: \$120.00 Hipoteca: \$32.00	\$152.00				
02						
<b>F. Pagos anticipados</b>		<b>\$2,543.48</b>				
01	Impuestos sobre la propiedad (6 meses) para Any County USA	\$1,460.00				
02	Pago anticipado de intereses \$26.31 por día del 12/06/2012 al 01/01/2013	\$210.48				
03	Prima del seguro de hipoteca ( meses)					
04	Prima del seguro de la vivienda (12 meses) para Insurance Co.					
05	Prima del seguro por ventarrón ( 12 meses) para YYZ Ins. Co.	\$873.00				
<b>G. Pago inicial del escrow al cierre</b>		<b>\$2,793.50</b>				
01	Ajuste escrow para Impuestos	\$695.00				
02	Asociación de propietarios/Condominio/Cooperativa mensual por mes					
03	Impuestos sobre la propiedad de \$505.80 por mes, durante 3 meses	\$1,515.24				
04	Seguro de hipoteca por mes, durante					
05	Seguro de la vivienda de \$121.67 por mes, durante 3 meses	\$365.01				
06	Seguro por ventarrón de \$72.75 por mes, durante 3 meses	\$218.25				
07	Ajuste acumulado					
<b>H. Otros costos</b>		<b>\$3,226.31</b>				
01	\$6,000.00 para Reliable Realty Co. / \$6,000.00 para Realty Pros LLC			\$12,000.00		
02	Agente a cargo de la operación a domicilio para Quick Signing Co.	\$150.00				
03	Cargo por garantía de la propiedad para XYZ Warranty Inc.	\$260.31				
04	Cargos por inspección estructural para Home Engineering Corp.	\$325.00				
05	Cargo por inspección para Inspector Home, Inc.				\$300.00	
06	Cargo por procesar Asociación de propietarios para HOA Corp.	\$700.00				
07	Comisión administrativa por transacción inmobiliaria para Reliable Realty Co.	\$200.00				
08	Póliza del título de propiedad del propietario para Regional Title Co.	\$1,591.00				
<b>I. TOTAL DE OTROS COSTOS (pagados por el prestatario)</b>		<b>\$8,715.29</b>				
Subtotal de otros costos (E + F + G + H)		\$8,715.29	\$0			
<b>J. TOTAL DE COSTOS DE CIERRE (pagados por el prestatario)</b>		<b>\$13,533.29</b>				
Subtotales de costos de cierre (D + I)		\$12,703.29	\$830.00	\$12,000.00W	\$300.00	\$4,331.00
Créditos del prestamista						

DECLARACIÓN DE CIERRE

PÁGINA 2 DE 6 • N.º DEL PRÉSTAMO 123456789

Round 2 – Closing Disclosure, 5 year Interest Only, 5/3 Adjustable Rate, page 3

**Cálculo del dinero en efectivo para el cierre**

Utilice esta tabla para saber lo que ha cambiado en su Estimación de préstamo.

	Estimación	Final	¿Esto cambió?
Total de costos de cierre (J)	\$9,120	\$13,533.29	<b>SÍ</b> • Consulte los <b>costos totales del préstamo (D)</b> y el <b>total de otros costos (I)</b>
Costos de cierre pagados antes del cierre	\$0	– \$830.00	<b>SÍ</b> • Pagó estos costos de cierre <b>antes del cierre</b>
Costos de cierre financiados (incluidos en el monto del préstamo)	\$0	– \$5,500.00	<b>SÍ</b> • Incluyó los costos de cierre financiados (incluidos en el monto del préstamo) que a su vez aumentaron el monto del préstamo
Pago inicial/Fondos del deudor	\$29,000	\$29,000.00	<b>NO</b>
Depósito	– \$5,000	– \$5,000.00	<b>NO</b>
Fondos para el deudor			<b>NO</b>
Créditos del vendedor	– \$1,000	– \$1,000.00	<b>NO</b>
Ajustes y otros créditos	\$0	– \$377.06	<b>SÍ</b> • Consulte los detalles en las <b>secciones K y L</b>
<b>Dinero en efectivo para el cierre</b>	<b>\$32,120</b>	<b>\$29,826.23</b>	

**Resúmenes de transacciones**

Utilice esta tabla para ver el resumen de su transacción.

**TRANSACCIONES DEL DEUDOR**

<b>K. Pagaderos por el deudor al cierre</b>		<b>\$253,170.79</b>
01	Precio de venta de la propiedad	\$240,000.00
02	Precio de venta de cualquier propiedad personal incluida en la venta	
03	Costos de cierre pagados al cierre (J)	\$12,703.29
04		
<b>Ajustes</b>		
05		
06		
07		
<b>Ajustes para los artículos pagados por el vendedor por anticipado</b>		
08	Impuestos municipales para	
09	Impuestos del condado para	
10	Evaluaciones estimadas para	
11	Obligaciones con respecto a la Asociación de propietarios	
	12/06/2012 al 12/31/2012	\$467.50
12		
13		
14		
15		
16		
<b>L. Pagado por el deudor, o en su nombre, al cierre</b>		<b>\$223,344.56</b>
01	Depósito	\$5,000.00
02	Monto del préstamo del deudor	\$216,500.00
03	Préstamos existentes atribuidos o adquiridos sujetos a	
04		
05	Crédito del vendedor	\$1,000.00
<b>Otros créditos</b>		
06		
07		
<b>Ajustes</b>		
08		
09		
10		
11		
<b>Ajustes para los artículos no pagados por el vendedor</b>		
12	Impuestos municipales del 10/01/2012 al 12/06/2012	\$844.56
13	Impuestos del condado al	
14	Evaluaciones estimadas al	
15		
16		
17		
<b>CÁLCULO</b>		
Total pagadero por el deudor al cierre (K)		\$253,170.79
Total pagado por el deudor, o en su nombre, al cierre (L)		– \$223,344.56
<b>Dinero en efectivo para el cierre</b>		
<input checked="" type="checkbox"/> de <input type="checkbox"/> para el deudor		<b>\$29,826.23</b>

**TRANSACCIONES DEL VENDEDOR**

<b>M. Pagaderos al vendedor al cierre</b>		<b>\$180,085.00</b>
01	Precio de venta de la propiedad	\$180,000.00
02	Precio de venta de cualquier propiedad personal incluida en la venta	
03		
04		
05		
06		
07		
08		
<b>Ajustes para los artículos pagados por el vendedor por anticipado</b>		
09	Impuestos municipales para	
10	Impuestos del condado para	
11	Evaluaciones estimadas para	
12	Obligaciones con respecto a la Asociación de propietarios	
	12/06/2012 al 12/31/2012	\$467.50
13		
14		
15		
16		
<b>N. Pagaderos por el vendedor al cierre</b>		<b>\$115,562.39</b>
01	Depósito excedente	
02	Costos de cierre pagados al cierre (J)	\$12,000.00
03	Préstamos existentes atribuidos o adquiridos sujetos a	
04	Pago del primero préstamo hipotecario	\$79,162.87
05	Pago del segundo préstamo hipotecario	
06		
07		
08	Crédito del vendedor	\$1,000.00
09		
10		
11		
12		
13		
<b>Ajustes para los artículos no pagados por el vendedor</b>		
14	Impuestos municipales del 10/01/2012 al 12/06/2012	\$844.56
15	Impuestos del condado al	
16	Evaluaciones estimadas al	
17		
18		
19		
<b>CÁLCULO</b>		
Total pagadero al vendedor al cierre (M)		\$240,467.50
Total pagadero por el vendedor al cierre (N)		– \$93,007.43
<b>Dinero en efectivo</b>		
<input type="checkbox"/> de <input checked="" type="checkbox"/> para el vendedor		<b>\$147,460.07</b>

Round 2 – Closing Disclosure, 5 year Interest Only, 5/3 Adjustable Rate, page 4

**Información adicional sobre este préstamo**

**Declaraciones del préstamo**

**Amortización negativa** (aumento del monto del préstamo)

De acuerdo con los términos de su préstamo, usted

- debe realizar pagos mensuales programados que no incluyen todos los intereses adeudados para ese mes. Como consecuencia, el monto de su préstamo aumentará (amortización negativa) y posiblemente, será más alto que el monto original del préstamo. Los aumentos del monto de su préstamo disminuyen su participación en el patrimonio que usted tiene en esta Inmueble.
- puede tener pagos mensuales que no incluyan todos los intereses adeudados para ese mes. Si los tiene, el monto de su préstamo aumentará (amortización negativa) y, como consecuencia, puede ser más alto que el monto original del préstamo. Los aumentos del monto de su préstamo disminuyen su participación en el patrimonio de esta Inmueble.
- no incluye una característica de amortización negativa.

**Característica de demanda**

Su préstamo

- incluye una característica de demanda, que le permite a su prestamista exigir el pago anticipado del préstamo. Debe revisar su pagaré para obtener detalles.
- no incluye una característica de demanda.

**Cuenta de escrow**

**Por ahora**, su préstamo

- tendrá una cuenta de escrow (también llamada cuenta de "depósito en garantía" o cuenta de "fideicomiso") para pagar los costos de la propiedad que se detallan a continuación. Sin una cuenta de escrow, usted pagaría estos costos directamente, tal vez en un pago grande o en dos pagos al año. Es posible que su prestamista sea responsable de las sanciones y los intereses que resulten de la falta de pago.

Escrow		
Costos de dinero depositado en una cuenta en garantía para pagar los impuestos y el seguro durante el año 1	\$8,394.00	Monto total estimado durante el primer año para sus costos de la propiedad con escrow: <i>Seguro de la vivienda</i> <i>Impuestos sobre la propiedad</i> <i>Seguro por ventarón</i>
Costos de la propiedad sin escrow durante el año 1	\$1,711.08	Monto total estimado durante el primer año para sus costos de la propiedad sin escrow: <i>Obligaciones de la Asociación de Propietarios</i> Es posible que tenga que pagar otros costos de la propiedad.
Pago inicial	\$2,793.50	Respaldo para la cuenta de escrow que usted paga al cierre. Consulte la Sección G en la página 2.
Pago mensual	\$699.50	El monto incluido en su pago mensual total

- no tendrá una cuenta de escrow porque  usted la rechazó  y su prestamista no la exige o no la ofrece. Usted debe pagar directamente sus costos de la propiedad, como los impuestos y el seguro de la vivienda. Comuníquese con su prestamista para preguntarle si su préstamo puede contar con una cuenta de escrow.

Sin escrow		
Costos de la propiedad estimados durante el año 1		Monto total estimado durante el primer año. Usted debe pagar estos costos directamente, posiblemente en un pago grande o en dos pagos al año.
Comisión por renuncia al escrow		

**En el futuro,**

Es posible que los costos de la propiedad cambien y, como consecuencia, su pago del escrow podrá variar. Puede cancelar su cuenta de escrow, pero si lo hace, debe pagar sus costos de la propiedad directamente. Si no paga los impuestos sobre la propiedad, el estado o gobierno local pueden 1) imponer multas o sanciones o 2) imponer un embargo fiscal a esta propiedad. Si no paga ninguno de estos costos de la propiedad, su prestamista puede 1) agregar los montos al saldo de su préstamo, 2) agregar una cuenta de escrow a su préstamo o 3) exigirle que pague un seguro para la propiedad, que el prestamista adquiere en su nombre, y que tal vez tendrá un costo más alto y le brindará menos beneficios que el que podría adquirir por su cuenta.

**Tabla de pagos ajustables (PA)**

¿Pago de interés solamente?	Sí para los primeros 60 pagos
¿Pagos opcionales?	NO
¿Pagos escalonados?	NO
¿Pagos estacionales?	NO
<b>Pagos mensuales de capital e intereses</b>	
Primer cambio/Monto	\$1,266 – \$1,582 en el pago 61
Cambios subsiguientes	Cada tres años
Pago máximo	\$1,664 a partir del pago 108

**Tabla de tasa de interés ajustable (TIA)**

Índice + Margen	Tasa LIBOR + 4%
Tasa de interés inicial	4.375%
Tasa de interés mínima/máxima	5%/8%
<b>Frecuencia de los cambios</b>	
Primer cambio	A partir del mes 61
Cambios subsiguientes	Cada 36 meses después del primer cambio
<b>Límites de cambios en la tasa de interés</b>	
Primer cambio	3%
Cambios subsiguientes	3%

DECLARACIÓN DE CIERRE

PÁGINA 4 DE 6 • N.º DEL PRÉSTAMO 123456789

## Round 2 – Closing Disclosure, 5 year Interest Only, 5/3 Adjustable Rate, page 5

### Declaraciones del préstamo

#### Intereses de garantía

Se le otorga un interés de garantía en \_\_\_\_\_  
 456 Somewhere Ave., Anytown, AZ 12345

Usted puede perder esta propiedad si no cumple con sus pagos o con el resto de las obligaciones de este préstamo.

#### Pago atrasado

Si su pago presenta un retraso de más de 15 días, le cobraremos un recargo del 5 % sobre el monto total de los intereses y el capital que paga mensualmente.

#### Pago parcial

Su prestamista

aceptará pagos menores al monto total adeudado (pagos parciales). Se aplicarán pagos parciales:

no acepta pagos parciales.

Si este préstamo se vende, es posible que su nuevo prestamista tenga una política diferente.

#### Supuestos

Si usted vende o transfiere esta propiedad a otra persona,

su prestamista permitirá, en determinadas condiciones, que esta persona asuma este préstamo con sus términos y condiciones originales.

no permitirá la presunción de este préstamo.

### Cálculos del préstamo

<b>Pagos totales.</b> Total que habrá pagado después de haber hecho todos los pagos de capital, intereses, seguro hipotecario y costos del préstamo, según lo programado.	\$704,172.58
<b>Cargo financiero.</b> El monto en dólares que le costará el préstamo.	\$239,364.26
<b>Monto financiado.</b> El monto en dólares disponible después de que pague el cargo financiero inicial.	\$212,989.52
<b>Tasa porcentual anual (APR).</b> Sus costos durante el plazo del préstamo, expresados como una tasa. Esta no es su tasa de interés.	5.61%
<b>Total de intereses pagados (TIP).</b> El monto total de los intereses que pagará durante el plazo del préstamo, expresado como porcentaje del monto total del préstamo.	99.01%
<b>Costo aproximado de los fondos (CAF).</b> El costo aproximado de los fondos utilizados para este préstamo. Este no es un costo directo para usted.	1.22%

### Otras declaraciones

#### Deducciones tributarias

Si adquiere una deuda mayor al valor de este Inmueble, los intereses del monto del préstamo que sean superiores al valor real de mercado no se deducirán de sus impuestos federales sobre la renta. Debería consultar con un asesor impositivo para obtener más información.

#### Detalles del contrato

Consulte su pagaré y su instrumento de garantía para obtener información sobre lo siguiente:

- ¿Qué sucede si no hace sus pagos?
- ¿Qué es un incumplimiento de pago del préstamo?
- Situaciones en que su prestamista puede exigirle que pague el préstamo por anticipado.
- Las reglas para realizar pagos antes de la fecha estipulada.

#### Refinanciamiento

El refinanciamiento de este préstamo dependerá de su situación financiera futura, del valor del Inmueble y de las condiciones del mercado. Es posible que no se le pueda refinanciar este préstamo.

#### Responsabilidad luego de la ejecución de la hipoteca

Si su prestamista ejecuta la hipoteca sobre este inmueble y dicha ejecución no cubre el monto de saldo pendiente de este préstamo:

- La ley estatal de puede protegerlo contra la responsabilidad de pagar el saldo pendiente. Si vuelve a financiar o adquiere otra deuda sobre esta Inmueble, puede perder esta protección y tendrá que pagar la deuda restante después de la ejecución de la hipoteca. Le recomendamos que consulte con un abogado para obtener más información.
- La ley estatal no lo protege contra la responsabilidad de pagar el saldo pendiente.

#### Valoración de la vivienda

Si la propiedad fue tasada para su préstamo, su prestamista debe proporcionarle una copia sin costo adicional, al menos tres días antes del cierre. Si aún no la ha recibido, comuníquese con su prestamista utilizando la información que se brinda a continuación.



**¿Tiene preguntas?** Si tiene preguntas sobre los términos y costos del préstamo que se establecen en este formulario, comuníquese con su prestamista. Para obtener más información o para presentar un reclamo, comuníquese con la Oficina de Protección Financiera del Consumidor en [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore).

Round 2 – Closing Disclosure, 5 year Interest Only, 5/3 Adjustable Rate, page 6

<b>Información de contacto</b>					
	<b>Prestamista</b>	<b>Corredor hipotecario</b>	<b>Corredor inmobiliario (P)</b>	<b>Corredor inmobiliario (V)</b>	<b>Agente a cargo de la operación</b>
<b>Nombre</b>	Ficus Bank		Omega Real Estate Broker Inc.	Alpha Real Estate Broker Co.	Epsilon Title Co.
<b>Dirección</b>	4321 Random Blvd. Somecity, AZ 12340		789 Local Lane Sometown, AZ 12345	987 Suburb Ct. Someplace, AZ 12340	123 Commerce Pl. Somecity, AZ 12344
<b>N.º de NMLS/licencia</b>			Z765416	Z61456	Z61616
<b>Contacto</b>	Joe S.		Samuel G.	Joseph C.	Sarah A.
<b>ID. de contacto de NMLS/licencia</b>	12345		P16415	P51461	PT1234
<b>Correo electrónico</b>	joesmith@ ficusbank.com		sam@omegare.biz	joe@alphare.biz	sarah@ epsilontitle.com
<b>Teléfono</b>	123-456-7890		123-555-1717	321-555-7171	987-555-4321

<b>Confirmación de recepción</b>			
Al firmar, usted solo confirma que ha recibido este formulario. No es necesario que acepte este préstamo por el hecho de haber firmado o recibido este formulario.			
Firma del solicitante		Firma del cosolicitante	
Fecha		Fecha	

DECLARACIÓN DE CIERRE PÁGINA 6 DE 6 • N.º DEL PRÉSTAMO 123456789



# Appendix

# E

## Round 3 – Spanish Disclosures



**Round 3 – Loan Estimate, 5 year Interest Only, 5/3 Adjustable Rate with Prepayment Penalty, page 1**

<b>FICUS BANK</b> 4321 Random Boulevard • Somecity, FL 12340		Guarde esta estimación de préstamo para compararla con su declaración de cierre.		
<b>Estimación de préstamo</b>		<b>PLAZO DEL PRÉSTAMO</b> 30 años <b>FINALIDAD</b> Adquisición por compra <b>PRODUCTO</b> Por 5 años pago de intereses solamente, tasa ajustable 5/3 <b>TIPO DE PRÉSTAMO</b> <input checked="" type="checkbox"/> Convencional <input type="checkbox"/> FHA <input type="checkbox"/> VA <input type="checkbox"/> _____ <b>N.º DEL PRÉSTAMO</b> 123456789 <b>BLOQUEO DE TASA</b> <input type="checkbox"/> NO <input checked="" type="checkbox"/> SÍ, hasta el 1/22/2013 a las 5:00 p. m. EST	Antes del cierre, la tasa de interés, los puntos y los créditos del prestamista podrían cambiar, a menos que usted bloquee la tasa de interés. Todos los demás costos de cierre estimados estarán vigentes hasta el 1/3/2013 a las 5:00 p. m. EST	
<b>FECHA DE EMISIÓN</b> 12/15/2012 <b>SOLICITANTES</b> John A. and Mary B. 123 Anywhere Street Anytown, FL 12345 <b>INMUEBLE</b> 456 Somewhere Avenue Anytown, FL 12345 <b>PRECIO DE VENTA</b> \$240,000				
<b>Términos del préstamo</b>		<b>¿Puede aumentar este monto después del cierre?</b>		
<b>Monto del préstamo</b>	\$211,000	<b>NO</b>		
<b>Tasa de interés</b>	4.375%	<b>SÍ</b> <ul style="list-style-type: none"> <li>Se ajusta <b>cada tres años</b> a partir del sexto año</li> <li>Puede subir <b>hasta el 8 %</b> en el noveno año</li> <li>Para obtener más información, consulte <b>la tabla de tasas de interés ajustable en la página 2</b></li> </ul>		
<b>Pago mensual de intereses y capital</b> <i>Consulte la sección de pagos proyectados para saber el total de su pago mensual</i>	\$769.27	<b>SÍ</b> <ul style="list-style-type: none"> <li>Se ajusta <b>cada tres años</b> a partir del sexto año</li> <li>Puede subir <b>hasta \$1,622</b> en el noveno año</li> <li>Incluye <b>solo el interés y no el capital</b> hasta el sexto año</li> <li>Para obtener más información, consulte <b>la tabla de pagos ajustables en la página 2</b></li> </ul>		
<b>Multa por pago anticipado</b>		<b>¿Tiene el préstamo estas características?</b>		
<b>Cuota extraordinaria</b>		<b>SÍ</b> <ul style="list-style-type: none"> <li>Puede subir hasta <b>\$4,220</b> si usted liquida la deuda en sus primeros dos años</li> </ul>		
<b>Cuota extraordinaria</b>		<b>NO</b>		
<b>Pagos proyectados</b>				
<b>Cálculo de los pagos</b>	<b>Años 1 a 5</b>	<b>Años 6 a 8</b>	<b>Años 9 a 11</b>	<b>Años 12 a 30</b>
Capital e intereses <i>solo intereses</i>	\$769.27	\$1,233 min \$1,542 máx	\$1,233 min \$1,622 máx	\$1,233 min \$1,622 máx
Seguro hipotecario	+ 107	+ 107	+ 107	+ —
Reserva estimada para impuestos y seguros de la vivienda <i>El monto puede aumentar con el paso del tiempo</i>	+ 533	+ 533	+ 533	+ 533
<b>Pago total mensual estimado</b>	\$1,409	\$1,873 – \$2,182	\$1,873 – \$2,262	\$1,766 – \$2,155
<b>Impuestos, seguro y evaluaciones estimados</b> <i>El monto puede aumentar con el paso del tiempo</i>	\$533 por mes	<b>Esta estimación incluye</b> <input checked="" type="checkbox"/> Impuestos sobre la propiedad <input checked="" type="checkbox"/> Seguro de la vivienda <input type="checkbox"/> Otro:		<b>¿En depósito?</b> <b>SÍ</b> <b>SÍ</b>
Consulte la Sección G en la página 2 para informarse sobre el dinero depositado en una cuenta de depósito para impuestos y seguros. Deberá pagar por separado los demás costos.				
<b>Dinero en efectivo para el cierre</b>				
<b>Dinero en efectivo estimado para el cierre</b>	\$31,587	Incluye <b>\$8,587</b> por costos de cierre (\$4,527 por costos del préstamo + \$4,060 por otros costos – \$0 por créditos del prestamista). Consulte los detalles en la página 2.		
Visite <a href="http://www.consumerfinance.gov/learnmore">www.consumerfinance.gov/learnmore</a> para información general y ayuda.				
ESTIMACIÓN DE PRÉSTAMO		PÁGINA 1 DE 3 • N.º DEL PRÉSTAMO 123456789		

Round 3 – Loan Estimate, 5 year Interest Only, 5/3 Adjustable Rate with Prepayment Penalty, page 2

**Detalles de los costos del cierre**

**Costos del préstamo**

<b>A. Gastos por tramitación</b>	<b>\$2,850</b>
% del monto del préstamo (Puntos)	\$0
Cargo por el estudio del crédito	\$2,450
Cargos por la solicitud del préstamo	\$400

<b>B. Servicios que usted no puede contratar</b>	<b>\$820</b>
Cargo por determinación de zonas de inundación	\$35
Cargo por informe de crédito	\$30
Cargos por investigación sobre situación tributaria	\$50
Cargo por valoración de vivienda	\$305
Honorarios del abogado del prestamista	\$400

<b>C. Servicios que usted puede contratar</b>	<b>\$857</b>
Cargo por inspección de plagas	\$125
Cargo por peritaje (suelos)	\$150
Estudio de títulos de propiedad	\$150
Honorarios del agente a cargo de la operación de cierre	\$300
Póliza del título de propiedad del prestamista	\$132

<b>D. COSTOS TOTALES DEL PRÉSTAMO (A + B + C)</b>	<b>\$4,527</b>
---	----------------

**Tabla de pagos ajustables (PA)**

¿Pago de interés solamente?	Sí para los primeros 60 pagos
¿Pagos opcionales?	NO
¿Pagos escalonados?	NO
¿Pagos estacionales?	NO
<b>Pagos mensuales de capital e intereses</b>	
Primer cambio/Monto	\$1,233 – \$1,542 en el pago 61
Cambios subsiguientes	Cada tres años
Pago máximo	\$1,622 a partir del pago 108

ESTIMACIÓN DE PRÉSTAMO

**Otros costos**

<b>E. Impuestos y otros cargos gubernamentales</b>	<b>\$152</b>
Costos de registro y otros impuestos	\$152
Impuestos por transferencia de título	\$0

<b>F. Pagos anticipados</b>	<b>\$1,205</b>
Impuestos sobre la propiedad (0 meses)	\$0
Pago anticipado de intereses ( \$25.64 diarios durante 8 días a la tasa de 4.375 % )	\$205
Prima del seguro de hipoteca (0 meses)	\$0
Prima del seguro de la vivienda ( 6 meses )	\$1,000

<b>G. Pago inicial de la cuenta en depósito al cierre</b>	<b>\$1,067</b>
Impuestos sobre la propiedad de \$450.00 por mes durante 2 meses	\$900
Seguro de hipoteca por mes durante 0 meses	
Seguro de la vivienda de \$83.33 por mes durante 2 meses	\$167

<b>H. Otros</b>	<b>\$1,636</b>
Póliza del título de propiedad del propietario (opcional)	\$1,636

<b>I. TOTAL DE OTROS COSTOS (E + F + G + H)</b>	<b>\$4,060</b>
---	----------------

<b>J. TOTAL DE COSTOS DE CIERRE</b>	<b>\$8,587</b>
D + I	\$8,587
Créditos del prestamista	\$0

**Cálculo del dinero en efectivo para el cierre**

Total de costos de cierre (J)	\$8,587
Costos de cierre financiados (incluidos en el monto del préstamo)	\$0
Pago inicial/Fondos del deudor	\$29,000
Depósito	– \$5,000
Fondos para el deudor	\$0
Créditos del vendedor	– \$1,000
Ajustes y otros créditos	\$0
<b>Dinero en efectivo estimado para el cierre</b>	<b>\$31,587</b>

**Tabla de tasa de interés ajustable (TIA)**

Índice + Margen	LIBOR + 4%
Tasa de interés inicial	4.375%
Tasa de interés mínima/máxima	5%/8%
<b>Frecuencia de los cambios</b>	
Primer cambio	A partir del mes 61
Cambios subsiguientes	Cada 36 meses después del primer cambio
<b>Límites de cambios en la tasa de interés</b>	
Primer cambio	3%
Cambios subsiguientes	3%

PÁGINA 2 DE 3 • N.º DEL PRÉSTAMO 123456789



## Round 3 – Closing Disclosure, 5 year Interest Only, 5/3 Adjustable Rate with Prepayment Penalty, page 1

### Declaración de cierre

Este formulario es una declaración sobre los términos y condiciones finales del préstamo y los costos de cierre. Compare este documento con su Estimación de préstamo.

#### Información sobre el cierre

**Fecha de emisión** 12/03/2012  
**Fecha de cierre** 12/06/2012  
**Fecha de desembolso** 12/06/2012  
**Agente a cargo de la operación de cierre** Epsilon Title Co.  
**Archivo N.º** 12-3456  
**Inmueble** 456 Somewhere Ave  
 Anytown, FL 12345  
**Precio de venta** \$240,000

#### Información sobre la transacción

**Deudor** John A. and Mary B.  
 123 Anywhere Street  
 Anytown, FL 12345  
**Vendedor** Steve C. and Amy D.  
 321 Somewhere Drive  
 Anytown, FL 12345  
**Prestamista** Ficus Bank

#### Información sobre el préstamo

**Plazo del préstamo** 30 años  
**Finalidad** Adquisición por compra  
**Producto** Por 5 años pago de intereses solamente, tasa ajustable 5/3  
**Tipo de préstamo**  Convencional  FHA  
 VA   
**N.º del préstamo** 123456789  
**N.º de MIC** 000654321

#### Términos del préstamo

#### ¿Puede aumentar este monto después del cierre?

<b>Monto del préstamo</b>	\$216,500	<b>NO</b>
<b>Tasa de interés</b>	4.375%	<b>SÍ</b> <ul style="list-style-type: none"> <li>Se ajusta <b>cada tres años</b> a partir del sexto año</li> <li>Puede subir <b>hasta el 8 %</b> en el noveno año</li> <li>Para obtener más información, consulte <b>la tabla de tasas de interés ajustable en la página 4</b></li> </ul>
<b>Pago mensual de intereses y capital</b> <i>Consulte la sección de pagos proyectados para saber el total de su pago mensual</i>	\$789.32	<b>SÍ</b> <ul style="list-style-type: none"> <li>Se ajusta <b>cada tres años</b> a partir del sexto año</li> <li>Puede subir <b>hasta \$1,664</b> en el noveno año</li> <li>Incluye <b>solo el interés y no el capital</b> hasta el sexto año</li> <li>Para obtener más información, consulte <b>la tabla de pagos ajustables en la página 4</b></li> </ul>
<b>Multa por pago anticipado</b>		<b>¿Tiene el préstamo estas características?</b> <b>SÍ</b> <ul style="list-style-type: none"> <li>Puede subir hasta <b>\$4,330</b> si usted liquida la deuda en sus primeros dos años</li> </ul>
<b>Cuota extraordinaria</b>		<b>NO</b>

#### Pagos proyectados

Cálculo de los pagos	Años 1 a 5	Años 6 a 8	Años 9 a 11	Años 12 a 30
Capital e intereses	\$789.32 <i>interest only</i>	\$1,266 min \$1,582 max	\$1,266 min \$1,664 max	\$1,266 min \$1,664 max
Seguro hipotecario	+ 164.18	+ 164.18	+ 164.18	+ —
Reserva estimada para impuestos y seguros de la vivienda <i>El monto puede aumentar con el paso del tiempo</i>	+ 699.50	+ 699.50	+ 699.50	+ 699.50
<b>Pago total mensual estimado</b>	<b>\$1,653.00</b>	<b>\$2,130 – \$2,446</b>	<b>\$2,130 – \$2,528</b>	<b>\$1,966 – \$2,364</b>

<b>Impuestos, seguro y evaluaciones estimados</b> <i>El monto puede aumentar con el paso del tiempo. Consulte los detalles en la página 4.</i>	\$842.09 por mes	<b>Esta estimación incluye</b> <input checked="" type="checkbox"/> Impuestos sobre la propiedad <input checked="" type="checkbox"/> Seguro de la vivienda <input checked="" type="checkbox"/> Otro: Seguro de ventarrón, Asociación de propietarios <i>Consulte la página 4 para informarse sobre el dinero depositado en una cuenta de depósito para impuestos y seguros. Deberá pagar por separado los demás costos.</i>	<b>¿En depósito?</b> <b>SÍ</b> <b>SÍ</b> <b>UNA PARTE</b>
---	---------------------	--	--

#### Dinero en efectivo para el cierre

<b>Dinero en efectivo para el cierre</b>	\$29,826.23	Incluye <b>\$13,533.29</b> por costos de cierre (\$4,818.00 por costos del préstamo + \$8,715.29 por otros costos – \$0 por créditos del prestamista). Consulte los detalles en la página 2.
--	-------------	--

DECLARACIÓN DE CIERRE

PÁGINA 1 DE 6 • N.º DEL PRÉSTAMO 123456789

Round 3 – Closing Disclosure, 5 year Interest Only, 5/3 Adjustable Rate with Prepayment Penalty, page 2

POST-PROPOSAL CONSUMER TESTING OF THE SPANISH AND REFINANCE INTEGRATED TILA-RESPA DISCLOSURES

**Detalles de los costos de cierre**

Costos del préstamo	Pagados por el deudor		Pagados por el vendedor		Pagados por otros
	Al cierre	Antes del cierre	Al cierre	Antes del cierre	
<b>A. Gastos por tramitación</b>	<b>\$2,850.00</b>				
01 % del monto del préstamo (Puntos)					
02 Cargo por bloqueo de tasa		\$525.00			
03 Cargo por corredor hipotecario para Friendly Mortgage Broker, Inc. por el prestamista					\$4,330.00
04 Cargo por el estudio del crédito	\$800.00				
05 Cargo por procesar	\$300.00				
06 Cargo por revisión alterna	\$150.00				
07 Cargo por Tramitación	\$1,000.00				
08 Cargo por verificación	\$75.00				
<b>B. Servicios que el deudor no puede contratar</b>	<b>\$900.00</b>				
01 Abogado del prestamista para The Firm LLP	\$425.00				
02 Cargo por control de zonas de inundación para Monitoring Services Inc.	\$10.00				
03 Cargo por determinación de zonas de inundación para Collateral Research Inc.	\$35.00				
04 Cargo por fiscalización tributaria para Servicios de monitoreo Inc.	\$15.00				
05 Cargo por informe de crédito para Credit Co.	\$30.00				
06 Cargo por investigación sobre situación tributaria para Monitoring Services Inc.	\$25.00				
07 Cargo por preparación de documentos para Collateral Research Inc.	\$55.00				
08 Cargo por valoración de la vivienda para Local Appraisal Co.		\$305.00			
09					
<b>C. Servicios que el deudor puede contratar</b>	<b>\$1,068.00</b>				
01 Cargo por Garantía del Título para Title Ins. Guar. Assn. por el prestamista	\$1.00				\$1.00
02 Cargo por inspección de plagas para Home Pest Co.	\$125.00				
03 Cargo por mensajería del título para Quick Delivery Co	\$32.00				
04 Cargo por peritaje (suelos) para ABC Survey, Co.	\$160.00				
05 Título – Estudio de títulos de propiedad para Regional Title Co	\$225.00				
06 Título – Honorarios del agente a cargo de la operación del título de Inmueble para ABC Settlement Co.	\$425.00				
07 Título – Póliza del prestamista para Regional Title Co.	\$100.00				
<b>D. COSTOS TOTALES DEL PRÉSTAMO (Pagados por el deudor)</b>	<b>\$4,818.00</b>				
Subtotales de los costos del préstamo (A + B + C)	\$3,988.00	\$830.00			
<b>Otros costos</b>					
<b>E. Impuestos y otros cargos gubernamentales</b>	<b>\$152.00</b>				
01 Costos de registro y otros impuestos por registro del título de Inmueble: \$120.00 Hipoteca: \$32.00	\$152.00				
02					
<b>F. Pagos anticipados</b>	<b>\$2,543.48</b>				
01 Impuestos sobre la propiedad (12 meses) para Any County USA	\$1,460.00				
02 Pago anticipado de intereses \$26.31 por día del 12/06/2012 al 01/01/2013	\$210.48				
03 Prima del seguro de hipoteca ( 0 meses)					
04 Prima del seguro de la vivienda (12 meses) para Insurance Co.					
05 Prima del seguro por ventarrón ( 12 meses) para XYZ Ins. Co.	\$873.00				
<b>G. Pago inicial de la cuenta en depósito para impuestos y seguros de la vivienda</b>	<b>\$2,793.50</b>				
01 Ajuste del depósito para impuestos	\$695.00				
02 Asociación de propietarios/Condominio/Cooperativa mensual por mes					
03 Impuestos sobre la propiedad de \$505.80 por mes, durante 3 meses	\$1,515.24				
04 Seguro de hipoteca por mes, durante					
05 Seguro de la vivienda de \$121.67 por mes, durante 3 meses	\$365.01				
06 Seguro por ventarrón de \$72.75 por mes, durante 3 meses	\$218.25				
07 Ajuste acumulado					
<b>H. Otros costos</b>	<b>\$3,226.31</b>				
01 \$6,000.00 para Reliable Realty Co. / \$6,000.00 para Realty Pros LLC			\$12,000.00		
02 Agente a cargo de la operación a domicilio para Quick Signing Co.	\$150.00				
03 Cargo por garantía de la propiedad para XYZ Warranty Inc.	\$260.31				
04 Cargos por inspección estructural para Home Engineering Corp.	\$325.00				
05 Cargo por inspección para Inspector Home, Inc.				\$300.00	
06 Cargo por procesar Asociación de propietarios para HOA Corp.	\$700.00				
07 Comisión administrativa por transacción inmobiliaria para Reliable Realty Co.	\$200.00				
08 Póliza del título de propiedad del propietario (opcional) para Regional Title Co.	\$1,591.00				
<b>I. TOTAL DE OTROS COSTOS (pagados por el deudor)</b>	<b>\$8,715.29</b>				
Subtotal de otros costos (E + F + G + H)	\$8,715.29	\$0			
<b>J. TOTAL DE COSTOS DE CIERRE (pagados por el deudor)</b>	<b>\$13,533.29</b>				
Subtotales de costos de cierre (D + I)	\$12,703.29	\$830.00	\$12,000.00	\$300.00	\$4,331.00
Créditos del prestamista					

DECLARACIÓN DE CIERRE

PÁGINA 2 DE 6 • N.º DEL PRÉSTAMO 123456789

## Round 3 – Closing Disclosure, 5 year Interest Only, 5/3 Adjustable Rate with Prepayment Penalty, page 3

### Cálculo del dinero en efectivo para el cierre

Utilice esta tabla para saber lo que ha cambiado en su Estimación de préstamo.

	Estimación	Final	¿Esto cambió?
Total de costos de cierre (J)	\$9,120	\$13,533.29	<b>SÍ</b> - Consulte los <b>costos totales del préstamo (D)</b> y el <b>total de otros costos (I)</b>
Costos de cierre pagados antes del cierre	\$0	- \$830.00	<b>SÍ</b> - Pagó estos costos de cierre <b>antes del cierre</b>
Costos de cierre financiados (incluidos en el monto del préstamo)	\$0	- \$5,500.00	<b>SÍ</b> - Incluyó los costos de cierre financiados (incluidos en el monto del préstamo) que a su vez aumentaron el monto del préstamo
Pago inicial/Fondos del deudor	\$29,000	\$29,000.00	<b>NO</b>
Depósito	- \$5,000	- \$5,000.00	<b>NO</b>
Fondos para el deudor			<b>NO</b>
Créditos del vendedor	- \$1,000	- \$1,000.00	<b>NO</b>
Ajustes y otros créditos	\$0	- \$377.06	<b>SÍ</b> - Consulte los detalles en las <b>secciones K y L</b>
<b>Dinero en efectivo para el cierre</b>	<b>\$32,120</b>	<b>\$29,826.23</b>	

### Resúmenes de transacciones

Utilice esta tabla para ver el resumen de su transacción.

#### TRANSACCIONES DEL DEUDOR

<b>K. Pagaderos por el deudor al cierre</b>		<b>\$253,170.79</b>
01	Precio de venta de la propiedad	\$240,000.00
02	Precio de venta de cualquier propiedad personal incluida en la venta	
03	Costos de cierre pagados al cierre (J)	\$12,703.29
04		
<b>Ajustes</b>		
05		
06		
07		
<b>Ajustes para los artículos pagados por el vendedor por anticipado</b>		
08	Impuestos municipales para	
09	Impuestos del condado para	
10	Evaluaciones estimadas para	
11	Obligaciones con respecto a la Asociación de propietarios 12/06/2012 al 12/31/2012	\$467.50
12		
13		
14		
15		
<b>L. Pagado por el deudor, o en su nombre, al cierre</b>		<b>\$223,344.56</b>
01	Depósito	\$5,000.00
02	Monto del préstamo del deudor	\$216,500.00
03	Préstamos existentes atribuidos o adquiridos sujetos a	
04		
05	Crédito del vendedor	\$1,000.00
<b>Otros créditos</b>		
06		
07		
<b>Ajustes</b>		
08		
09		
10		
11		
<b>Ajustes para los artículos no pagados por el vendedor</b>		
12	Impuestos municipales del 10/01/2012 al 12/06/2012	\$844.56
13	Impuestos del condado al	
14	Evaluaciones estimadas al	
15		
16		
17		
<b>CÁLCULO</b>		
Total pagadero por el deudor al cierre (K)		\$253,170.79
Total pagado por el deudor, o en su nombre, al cierre (L)		- \$223,344.56
<b>Dinero en efectivo para el cierre</b>		
<input checked="" type="checkbox"/> de <input type="checkbox"/> para el deudor		<b>\$29,826.23</b>

#### TRANSACCIONES DEL VENDEDOR

<b>M. Pagaderos al vendedor al cierre</b>		<b>\$240,467.50</b>
01	Precio de venta de la propiedad	\$240,000.00
02	Precio de venta de cualquier propiedad personal incluida en la venta	
03		
04		
05		
06		
07		
08		
<b>Ajustes para los artículos pagados por el vendedor por anticipado</b>		
09	Impuestos municipales para	
10	Impuestos del condado para	
11	Evaluaciones estimadas para	
12	Obligaciones con respecto a la Asociación de propietarios 12/06/2012 al 12/31/2012	\$467.50
13		
14		
15		
16		
<b>N. Pagaderos por el vendedor al cierre</b>		<b>\$93,007.43</b>
01	Depósito excedente	
02	Costos de cierre pagados al cierre (J)	\$12,000.00
03	Préstamos existentes atribuidos o adquiridos sujetos a	
04	Pago del primero préstamo hipotecario	\$79,162.87
05	Pago del segundo préstamo hipotecario	
06		
07		
08	Crédito del vendedor	\$1,000.00
09		
10		
11		
12		
13		
<b>Ajustes para los artículos no pagados por el vendedor</b>		
14	Impuestos municipales del 10/01/2012 al 12/06/2012	\$844.56
15	Impuestos del condado al	
16	Evaluaciones estimadas al	
17		
18		
19		
<b>CÁLCULO</b>		
Total pagadero al vendedor al cierre (M)		\$240,467.50
Total pagadero por el vendedor al cierre (N)		- \$93,007.43
<b>Dinero en efectivo</b>		
<input type="checkbox"/> de <input checked="" type="checkbox"/> para el vendedor		<b>\$147,460.07</b>

## Round 3 – Closing Disclosure, 5 year Interest Only, 5/3 Adjustable Rate with Prepayment Penalty, page 4

### Información adicional sobre este préstamo

#### Declaraciones del préstamo

##### Amortización negativa (aumento del monto del préstamo)

De acuerdo con los términos de su préstamo, usted

- debe realizar pagos mensuales programados que no incluyen todos los intereses adeudados para ese mes. Como consecuencia, el monto de su préstamo aumentará (amortización negativa) y posiblemente, será más alto que el monto original del préstamo. Los aumentos del monto de su préstamo disminuyen su participación en el patrimonio que usted tiene en esta Inmueble.
- puede tener pagos mensuales que no incluyan todos los intereses adeudados para ese mes. Si los tiene, el monto de su préstamo aumentará (amortización negativa) y, como consecuencia, puede ser más alto que el monto original del préstamo. Los aumentos del monto de su préstamo disminuyen su participación en el patrimonio de esta Inmueble.
- no incluye una característica de amortización negativa.

##### Característica de demanda

Su préstamo

- incluye una característica de demanda, que le permite a su prestamista exigir el pago anticipado del préstamo. Debe revisar su pagaré para obtener detalles.
- no incluye una característica de demanda.

##### Cuenta en depósito para impuestos y seguros de la vivienda *Por ahora*, su préstamo

- tendrá una cuenta en depósito para impuestos y seguros de la vivienda (también llamada cuenta de "depósito en garantía" o cuenta de "fideicomiso") para pagar los costos de la propiedad que se detallan a continuación. Sin una cuenta en depósito para impuestos y seguros de la vivienda, usted pagaría estos costos directamente, tal vez en un pago grande o en dos pagos al año. Es posible que su prestamista sea responsable de las sanciones y los intereses que resulten de la falta de pago.

##### Con cuenta en depósito para impuestos y seguros de la vivienda

Costos de la propiedad con una cuenta en depósito durante el primer año	\$8,394.00	Monto total estimado durante el primer año para sus costos de la propiedad con depósito: <i>Seguro de la vivienda</i> <i>Impuestos sobre la propiedad</i> <i>Seguro por ventarrón</i>
Costos de la propiedad sin depósito durante el primer año	\$1,711.08	Monto total estimado durante el primer año para sus costos de la propiedad sin depósito: <i>Obligaciones de la Asociación de Propietarios</i> Es posible que tenga que pagar otros costos de la propiedad.
Pago inicial	\$2,793.50	Respaldo para la cuenta en depósito que usted paga al cierre. Consulte la Sección G en la página 2.
Pago mensual	\$699.50	El monto incluido en su pago mensual total

- no tendrá una cuenta en depósito porque  usted la rechazó  y su prestamista no la exige o no la ofrece. Usted debe pagar directamente sus costos de la propiedad, como los impuestos y el seguro de la vivienda. Comuníquese con su prestamista para preguntarle si su préstamo puede contar con una cuenta de depósito para impuestos y seguros de la vivienda.

##### Sin cuenta en depósito para impuestos y seguros de la vivienda

Costos de la propiedad estimados durante el primer año		Monto total estimado durante el primer año. Usted debe pagar estos costos directamente, posiblemente en un pago grande o en dos pagos al año.
Comisión por renuncia a la cuenta en depósito		

##### En el futuro,

Es posible que los costos de la propiedad cambien y como consecuencia, su pago a la cuenta en depósito para impuestos y seguros de la vivienda podrá variar. Puede cancelar su cuenta en depósito, pero si lo hace, debe pagar sus costos de la propiedad directamente. Si no paga los Impuestos sobre la propiedad, el estado o gobierno local pueden 1) imponer multas o sanciones o 2) imponer un embargo fiscal a esta propiedad. Si no paga ninguno de estos costos de la propiedad, su prestamista puede 1) agregar los montos al saldo de su préstamo, 2) agregar una cuenta en depósito a su préstamo o 3) exigirle que pague un seguro para la propiedad, que el prestamista adquiere en su nombre, y que tal vez tendrá un costo más alto y le brindará menos beneficios que el que podría adquirir por su cuenta.

#### Tabla de pagos ajustables (PA)

¿Pago de interés solamente?	Sí para los primeros 60 pagos
¿Pagos opcionales?	NO
¿Pagos escalonados?	NO
¿Pagos estacionales?	NO
<b>Pagos mensuales de capital e intereses</b>	
Primer cambio/Monto	\$1,266 – \$1,582 en el pago 61
Cambios subsiguientes	Cada tres años
Pago máximo	\$1,664 a partir del pago 108

#### Tabla de tasa de interés ajustable (TIA)

Índice + Margen	LIBOR + 4%
Tasa de interés inicial	4.375%
Tasa de interés mínima/máxima	5%/8%
<b>Frecuencia de los cambios</b>	
Primer cambio	A partir del mes 61
Cambios subsiguientes	Cada 36 meses después del primer cambio
<b>Límites de cambios en la tasa de interés</b>	
Primer cambio	3%
Cambios subsiguientes	3%

DECLARACIÓN DE CIERRE

PÁGINA 4 DE 6 • N.º DEL PRÉSTAMO 123456789

## Round 3 – Closing Disclosure, 5 year Interest Only, 5/3 Adjustable Rate with Prepayment Penalty, page 5

### Declaraciones del préstamo

#### Intereses de garantía

Se le otorga un interés de garantía en \_\_\_\_\_  
 456 Somewhere Ave., Anytown, FL 12345

Usted puede perder esta propiedad si no cumple con sus pagos o con el resto de las obligaciones de este préstamo.

#### Pago atrasado

Si su pago presenta un retraso de más de 15 días, le cobraremos un recargo del 5 % sobre el monto total de los intereses y el capital que paga mensualmente.

#### Pago parcial

Su prestamista

aceptará pagos menores al monto total adeudado (pagos parciales). Se aplicarán pagos parciales:

no acepta pagos parciales.

Si este préstamo se vende, es posible que su nuevo prestamista tenga una política diferente.

#### Supuestos

Si usted vende o transfiere esta propiedad a otra persona su prestamista,

su prestamista permitirá, en determinadas condiciones, que esta persona asuma este préstamo con sus términos y condiciones originales.

no permitirá la transferencia de este préstamo.

### Cálculos del préstamo

<b>Pagos totales.</b> Total que habrá pagado después de haber hecho todos los pagos de capital, intereses, seguro hipotecario y costos del préstamo, según lo programado.	\$704,172.58
<b>Cargo financiero.</b> El monto en dólares que le costará el préstamo.	\$239,364.26
<b>Monto financiado.</b> El monto en dólares disponible después de que pague el cargo financiero inicial.	\$212,989.52
<b>Tasa porcentual anual (APR).</b> Sus costos durante el plazo del préstamo, expresados como una tasa. Esta no es su tasa de interés.	5.61%
<b>Total de intereses pagados (TIP).</b> El monto total de los intereses que pagará durante el plazo del préstamo, como porcentaje del monto total del préstamo.	99.109%
<b>Costo aproximado de los fondos (CAF).</b> El costo aproximado de los fondos utilizados para este préstamo. Este no es un costo directo para usted.	1.22%

### Otras declaraciones

#### Avaluó de la vivienda

Si la propiedad tuvo una valoración para su préstamo, su prestamista debe proporcionarle una copia sin costo adicional, al menos tres días antes del cierre. Si aún no la ha recibido, comuníquese con su prestamista utilizando la información que se le brinda en la página 6.

#### Deducciones tributarias

Si adquiere una deuda mayor al valor de este Inmueble, los intereses del monto del préstamo que sean superiores al valor real de mercado no se deducirán de sus impuestos federales sobre la renta. Debería consultar con un asesor impositivo para obtener más información.

#### Detalles del contrato

Consulte su pagaré y su instrumento de garantía para obtener información sobre lo siguiente:

- ¿Qué sucede si no hace sus pagos?
- ¿Qué es un incumplimiento de pago del préstamo?
- Situaciones en que su prestamista puede exigirle que pague el préstamo por anticipado.
- Las reglas para realizar pagos antes de la fecha estipulada.

#### Refinanciamiento

El refinanciamiento de este préstamo dependerá de su situación financiera futura, del valor de propiedad y de las condiciones del mercado. Es posible que no se le pueda refinanciar este préstamo.

#### Responsabilidad luego de la ejecución de la hipoteca

Si su prestamista ejecuta la hipoteca sobre este inmueble y dicha ejecución no cubre el monto de saldo pendiente de este préstamo:

- La ley estatal de puede protegerlo contra la responsabilidad de pagar el saldo pendiente. Si vuelve a financiar o adquiere otra deuda sobre esta Inmueble, puede perder esta protección y tendrá que pagar la deuda restante después de la ejecución de la hipoteca. Le recomendamos que consulte con un abogado para obtener más información.
- La ley estatal no lo protege contra la responsabilidad de pagar el saldo pendiente.



**¿Tiene preguntas?** Si tiene preguntas sobre los términos y costos del préstamo que se establecen en este formulario, comuníquese con su prestamista. Para obtener más información o para presentar un reclamo, comuníquese con la Oficina de Protección Financiera del Consumidor en [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore).



**Round 3 – Closing Disclosure, 5 year Interest Only, 5/3 Adjustable Rate with Prepayment Penalty, page 6**

<b>Información de contacto</b>					
	<b>Prestamista</b>	<b>Corredor hipotecario</b>	<b>Corredor inmobiliario (Deudor)</b>	<b>Corredor inmobiliario (Vendedor)</b>	<b>Agente a cargo de la operación</b>
<b>Nombre</b>	Ficus Bank		Omega Real Estate Broker Inc.	Alpha Real Estate Broker Co.	Epsilon Title Co.
<b>Dirección</b>	4321 Random Blvd. Somecity, FL 12340		789 Local Lane Sometown, FL 12345	987 Suburb Ct. Someplace, FL 12340	123 Commerce Pl. Somecity, FL 12344
<b>N.º de NMLS/licencia</b>	111111		Z765416	Z61456	Z61616
<b>Contacto</b>	Joe S.		Samuel G.	Joseph C.	Sarah A.
<b>ID. de contacto de NMLS/licencia</b>	12345		P16415	P51461	PT1234
<b>Correo electrónico</b>	joe@ficusbank.com		sam@omegare.biz	joe@alphare.biz	sarah@epsilontitle.com
<b>Teléfono</b>	123-456-7890		123-555-1717	321-555-7171	987-555-4321

<b>Confirmación de recepción</b>			
Al firmar, usted solo confirma que ha recibido este formulario. No es necesario que acepte este préstamo por el hecho de haber firmado o recibido este formulario.			
Firma del solicitante		Firma del cosolicitante	
Fecha		Fecha	

DECLARACIÓN DE CIERRE PÁGINA 6 DE 6 • N.º DEL PRÉSTAMO 123456789

Round 3 – Loan Estimate, 7 year Fixed Rate with Balloon Payment, page 1

**POPLAR BANK**

4321 Random Boulevard • Somecity, FL 12340

Guarde esta estimación de préstamo para compararla con su declaración de cierre.

**Estimación de préstamo**

**FECHA DE EMISIÓN** 12/15/2012  
**SOLICITANTES** John A. and Mary B.  
 123 Anywhere Street  
 Anytown, FL 12345  
**INMUEBLE** 456 Somewhere Avenue  
 Anytown, FL 12345  
**PRECIO DE VENTA** \$240,000

**PLAZO DEL PRÉSTAMO** 7 años  
**FINALIDAD** Adquisición por compra  
**PRODUCTO** Tasa fija con pago final pactado  
**TIPO DE PRÉSTAMO**  Convencional  FHA  VA   
**N.º DEL PRÉSTAMO** 123456789  
**BLOQUEO DE TASA**  NO  SÍ, hasta el 01/22/2013 a las 5:00 p. m. EST

Antes del cierre, la tasa de interés, los puntos y los créditos del prestamista podrían cambiar, a menos que usted bloquee la tasa de interés. Todos los demás costos de cierre estimados estarán vigentes hasta el 1/3/2013 a las 5:00 p. m. EST

Términos del préstamo		¿Puede aumentar este monto después del cierre?
<b>Monto del préstamo</b>	\$211,000	<b>NO</b>
<b>Tasa de interés</b>	4.625%	<b>NO</b>
<b>Pago mensual de intereses y capital</b> <i>Consulte la sección de pagos proyectados para saber el total de su pago mensual</i>	\$1,038.36	<b>NO</b>
<b>¿Tiene el préstamo estas características?</b>		
<b>Multa por pago anticipado</b>		<b>NO</b>
<b>Cuota extraordinaria</b>		<b>SÍ</b> Deberá pagar <b>\$154,616</b> al final del año 7.

Pagos proyectados		
Cálculo de los pagos	Años 1 a 7	Pago final pactado en el año 7
Capital e intereses	\$904.89	
Seguro hipotecario	+ 133.47	
Reserva estimada para impuestos y seguros de la vivienda <i>El monto puede aumentar con el paso del tiempo</i>	+ 338	
<b>Pago total mensual estimado</b>	<b>\$1,376.36</b>	<b>\$154,616.00</b>
<b>Impuestos, seguro y evaluaciones estimados</b> <i>El monto puede aumentar con el paso del tiempo</i>	\$338 por mes	<b>¿En depósito?</b> <b>SÍ</b> <b>SÍ</b>
	<b>Esta estimación incluye</b> <input checked="" type="checkbox"/> Impuestos sobre la propiedad <input checked="" type="checkbox"/> Seguro de la vivienda <input type="checkbox"/> Otro:	
<i>Consulte la Sección G en la página 2 para informarse sobre el dinero depositado en una cuenta de depósito para impuestos y seguros. Deberá pagar por separado los demás costos.</i>		

Dinero en efectivo para el cierre	
<b>Dinero en efectivo estimado para el cierre</b>	\$15,376 Incluye \$10,376 por costos de cierre (\$6,853 por costos del préstamo + \$3,523 por otros costos – \$0 por créditos del prestamista). Consulte los detalles en la página 2

Visite [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore) para información general y ayuda.

Round 3 – Loan Estimate, 7 year Fixed Rate with Balloon Payment, page 2

**Detalles de los costos del cierre**

**Costos del préstamo**

<b>A. Gastos por tramitación</b>	<b>\$2,950</b>
% del monto del préstamo (Puntos)	\$0
Cargos administrativos	\$750
Cargo por el estudio del crédito	\$1,200
Cargos por procesamiento	\$200
Cargos por verificación	\$800

**B. Servicios que usted no puede contratar \$1,140**

Cargo por determinación de zonas de inundación	\$50
Cargo por informe de crédito	\$35
Cargos por investigación sobre situación tributaria	\$110
Cargos por preparación de documentación	\$135
Cargos por revisión alterna	\$125
Cargo por valoración de la vivienda	\$685

**C. Servicios que usted puede contratar \$2,763**

Cargo por inspección de plagas	\$106
Cargo por peritaje (suelos)	\$215
Honorarios del abogado del deudor	\$400
Póliza del título de propiedad del prestamista	\$511
Título: Cargos por otros servicios	\$1,531

**D. COSTOS TOTALES DEL PRÉSTAMO (A + B + C) \$6,853**

**Otros costos**

<b>E. Impuestos y otros cargos gubernamentales</b>	<b>\$1,540</b>
Costos de registro y otros impuestos	\$1,425
Impuestos por transferencia de título	\$115

**F. Pagos anticipados \$1,039**

Impuestos sobre la propiedad (0 meses)	\$0
Pago anticipado de intereses	
(\$22.61 por día durante 15 días a la tasa de 3.875 %)	\$339
Prima del seguro de hipoteca (0 meses)	\$0
Prima del seguro de la vivienda ( 6 meses)	\$700

**G. Pago inicial de la cuenta en depósito al cierre \$944**

Impuestos sobre la propiedad	
\$222.00 por mes durante 2 meses	\$444
Seguro de hipoteca \$133.47 por mes durante 2 meses	\$267
Seguro de la vivienda \$116.67 por mes durante 2 meses	\$233

**H. Otros \$0**

**I. TOTAL DE OTROS COSTOS (E + F + G + H) \$3,523**

**J. TOTAL DE COSTOS DE CIERRE \$10,376**

D + I	\$10,376
Créditos del prestamista	\$0

**Cálculo del dinero en efectivo para el cierre**

Total de costos de cierre (J)	\$10,376
Costos de cierre financiados (incluidos en el monto del préstamo)	– \$5,000
Pago inicial/Fondos del deudor	\$10,000
Depósito	– \$9,000
Fondos para el deudor	\$0
Créditos del vendedor	\$0
Ajustes y otros créditos	\$0

**Dinero en efectivo estimado para el cierre \$15,376**

## Round 3 – Loan Estimate, 7 year Fixed Rate with Balloon Payment, page 3

### Información adicional sobre este préstamo

<b>PRESTAMISTA</b>	Poplar Bank	<b>CORREDOR HIPOTECARIO</b>	Pecan Mortgage Broker Inc.
<b>N.º DE NMLS/LICENCIA</b>		<b>N.º DE NMLS/LICENCIA</b>	222222
<b>AGENTE DE PRÉSTAMO</b>	Joe S.	<b>AGENTE DE PRÉSTAMO</b>	Jane J.
<b>N.º DEL NMLS</b>	12345	<b>N.º DE NMLS</b>	67890
<b>CORREO ELECTRÓNICO</b>	joe@poplarbank.com	<b>CORREO ELECTRÓNICO</b>	jane@pecanmortgagebroker.com
<b>TELÉFONO</b>	123-456-7890	<b>TELÉFONO</b>	333-444-5555

Comparaciones		Utilice estas medidas para comparar este préstamo con otros.
<b>En 5 años</b>	\$70,695	total que habrá pagado en capital, intereses, seguro hipotecario y costos del préstamo.
	\$15,261	capital principal que habrá amortizado.
<b>Tasa porcentual anual (APR)</b>	6.06%	sus costos durante el plazo del préstamo expresados como una tasa. Esta no es su tasa de interés.
<b>Total de intereses pagados a lo largo del plazo del préstamo (TIP)</b>	30.64%	el monto total de intereses que pagará durante el plazo del préstamo como porcentaje del monto del préstamo.

### Otras consideraciones

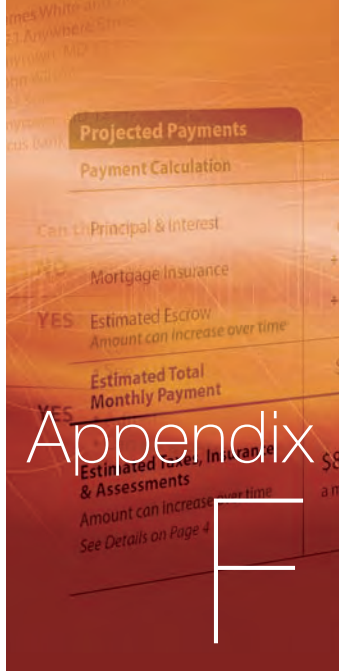
<b>Administración del préstamo</b>	Nuestra intención es <input type="checkbox"/> brindarle servicios de administración de su préstamo. De ser así, usted emitirá los pagos a nuestro nombre. <input checked="" type="checkbox"/> transferir los servicios de administración de su préstamo.
<b>Avaluó de la vivienda</b>	Es posible que pidamos una valoración de la vivienda para determinar el valor de la propiedad y que le cobremos por esta valoración de la vivienda. Inmediatamente, le daremos una copia de la valoración aunque su préstamo no se cierre. Puede pagar para que se haga otra valoración de la vivienda más para su uso personal y esta correrá por su cuenta.
<b>Pago atrasado</b>	Si su pago presenta un retraso de más de 15 días, le cobraremos un recargo del 5 % sobre el monto total de los intereses y el capital que paga mensualmente.
<b>Refinanciamiento</b>	El refinanciamiento de este préstamo dependerá de su situación financiera futura, del valor de la propiedad y de las condiciones del mercado. Es posible que no se le pueda refinanciar este préstamo.
<b>Seguro de la vivienda</b>	Este préstamo exige un seguro de la vivienda, que puede obtenerse de una empresa que usted seleccione y que nosotros consideremos aceptable.
<b>Supuestos</b>	Si usted vende o transfiere esta propiedad a otra persona, <input type="checkbox"/> permitiremos, en determinadas condiciones, que esta persona asuma este préstamo con sus términos y condiciones originales. <input checked="" type="checkbox"/> no permitiremos que esta persona asuma este préstamo con sus términos y condiciones originales.

### Confirmación de recepción

Al firmar, usted solo confirma que ha recibido este formulario. No es necesario que acepte este préstamo por el hecho de haber firmado o recibido este formulario.

_____ Firma del solicitante	_____ Fecha	_____ Firma del cosolicitante	_____ Fecha
--------------------------------	----------------	----------------------------------	----------------





# Appendix

## Round 4 – Refinance Disclosures

Round 4 – Loan Estimate, Design 1 Proposed Refinance, Cash Back, page 1

POST-PROPOSAL CONSUMER TESTING OF THE SPANISH AND REFINANCE INTEGRATED TILA+RESPA DISCLOSURES

ASPEN BANK

4321 Random Boulevard • Somercity, ST 12340

Save this Loan Estimate to compare with your Closing Disclosure.

Loan Estimate

**DATE ISSUED** 2/15/2013  
**APPLICANTS** John A. and Mary B.  
 123 Anywhere Street  
 Anytown, ST 12345  
**PROPERTY** 123 Anywhere Street  
 Anytown, ST 12345  
**EST. PROP. VALUE** \$180,000

**LOAN TERM** 30 years  
**PURPOSE** Refinance  
**PRODUCT** Fixed Rate  
**LOAN TYPE**  Conventional  FHA  VA  \_\_\_\_\_  
**LOAN ID #** 123456789  
**RATE LOCK**  NO  YES, until 4/16/2013 at 5:00 p.m. EDT  
*Before closing, your interest rate, points, and lender credits can change unless you lock the interest rate. All other estimated closing costs expire on 3/22/2013 at 5:00 p.m. EDT*

Loan Terms		Can this amount increase after closing?
<b>Loan Amount</b>	\$150,000	<b>NO</b>
<b>Interest Rate</b>	4.25%	<b>NO</b>
<b>Monthly Principal &amp; Interest</b> <i>See Projected Payments below for your Estimated Total Monthly Payment</i>	\$737.91	<b>NO</b>
<b>Does the loan have these features?</b>		
<b>Prepayment Penalty</b>		<b>NO</b>
<b>Balloon Payment</b>		<b>NO</b>

Projected Payments			
Payment Calculation	Years 1-4		Years 5-30
Principal & Interest	\$737.91		\$737.91
Mortgage Insurance	+	82	+ —
Estimated Escrow <i>Amount can increase over time</i>	+	206	+ 206
<b>Estimated Total Monthly Payment</b>	<b>\$1,026</b>		<b>\$944</b>
<b>Estimated Taxes, Insurance &amp; Assessments</b> <i>Amount can increase over time</i>	\$206 a month	<b>This estimate includes</b> <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>	<b>In escrow?</b> <b>YES</b> <b>YES</b>

Cash to Close	
<b>Estimated Cash to Close</b>	– \$24,901 Includes \$5,099 in Closing Costs (\$3,521 in Loan Costs + \$2,078 in Other Costs – \$500 in Lender Credits). See details on page 2.

Visit [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore) for general information and tools.

Round 4 – Loan Estimate, Design 1 Proposed Refinance, Cash Back, page 2

**Closing Cost Details**

**Loan Costs**

<b>A. Origination Charges</b>	<b>\$1,950</b>
.5 % of Loan Amount (Points)	\$750
Application Fee	\$250
Origination Fee	\$450
Underwriting Fee	\$500

<b>B. Services You Cannot Shop For</b>	<b>\$635</b>
Appraisal Fee	\$425
Credit Report Fee	\$30
Flood Determination Fee	\$25
Flood Monitoring Fee	\$45
Tax Monitoring Fee	\$65
Tax Status Research Fee	\$45

<b>C. Services You Can Shop For</b>	<b>\$936</b>
Pest Inspection Fee	\$85
Title – Insurance Binder	\$50
Title – Lender’s Title Policy	\$251
Title – Settlement Agent Fee	\$350
Title – Title Search	\$200

<b>D. TOTAL LOAN COSTS (A + B + C)</b>	<b>\$3,521</b>
--	----------------

**Other Costs**

<b>E. Taxes and Other Government Fees</b>	<b>\$80</b>
Recording Fees and Other Taxes	\$80
Transfer Taxes	

<b>F. Prepays</b>	<b>\$1,585</b>
Homeowner’s Insurance Premium ( <u>6</u> months)	\$605
Mortgage Insurance Premium ( <u>1</u> months)	\$82
Prepaid Interest ( \$17.71 per day for 15 days @ 4.25%)	\$266
Property Taxes ( <u>6</u> months)	\$632

<b>G. Initial Escrow Payment at Closing</b>	<b>\$413</b>
Homeowner’s Insurance \$100.83 per month for 2 mo.	\$202
Mortgage Insurance per month for mo	
Property Taxes \$105.30 per month for 2 mo.	\$211

<b>H. Other</b>	<b>\$0</b>
-----------------	------------

<b>I. TOTAL OTHER COSTS (E + F + G + H)</b>	<b>\$2,078</b>
---	----------------

<b>J. TOTAL CLOSING COSTS</b>	<b>\$5,099</b>
D + I	\$5,599
Lender Credits	– \$500

**Calculating Cash to Close**

Total Closing Costs (J)	\$5,099
Closing Costs Financed (Included in Loan Amount)	– \$5,099
Down Payment/Funds from Borrower	\$0
Deposit	\$0
Funds for Borrower	– \$24,901
Seller Credits	\$0
Adjustments and Other Credits	\$0

<b>Estimated Cash to Close</b>	<b>– \$24,901</b>
--------------------------------	-------------------



Round 4 – Loan Estimate, Design 1 Proposed Refinance, Cash Back, page 3

**Additional Information About This Loan**

LENDER Aspen Bank  
 NMLS/LICENSE ID  
 LOAN OFFICER Joe Smith  
 NMLS ID 12345  
 EMAIL joesmith@aspenbank.com  
 PHONE 123-456-7890

MORTGAGE BROKER  
 NMLS/LICENSE ID  
 LOAN OFFICER  
 NMLS ID  
 EMAIL  
 PHONE

**Comparisons**

Use these measures to compare this loan with other loans.

<b>In 5 Years</b>	\$51,932 Total you will have paid in principal, interest, mortgage insurance, and loan costs. \$13,788 Principal you will have paid off.
<b>Annual Percentage Rate (APR)</b>	4.546% Your costs over the loan term expressed as a rate. This is not your interest rate.
<b>Total Interest Percentage (TIP)</b>	77.28% The total amount of interest that you will pay over the loan term as a percentage of your loan amount.

**Other Considerations**

- Appraisal** We may order an appraisal to determine the property's value and charge you for this appraisal. We will promptly give you a copy of any appraisal, even if your loan does not close. You can pay for an additional appraisal for your own use at your own cost.
- Assumption** If you sell or transfer this property to another person, we  
 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.
- Homeowner's Insurance** This loan requires homeowner's insurance on the property, which you may obtain from a company of your choice that we find acceptable.
- Late Payment** If your payment is more than 15 days late, we will charge a late fee of 5% of the monthly principal and interest payment.
- Loan Acceptance** You do not have to accept this loan because you have received this form or signed a loan application.
- Liability after Foreclosure** Taking this loan could end any state law protection you may currently have against liability for unpaid debt if your lender forecloses on your home. If you lose this protection, you may be liable for debt remaining after foreclosure. You may want to consult a lawyer for more information.
- 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.
- Servicing** We intend  
 to service your loan. If so, you will make your payments to us.  
 to transfer servicing of your loan.

Round 4 – Closing Disclosure, Design 1 Proposed Refinance, Cash Back, page 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** Zeta Title  
**File #** 12-3456  
**Property** 123 Anywhere Street  
 Anytown, ST 12345  
**Appraised Prop. Value** \$180,000

### Transaction Information

**Borrower** John A. and Mary B.  
 123 Anywhere Street  
 Anytown, ST 12345  
**Lender** Aspen Bank

### Loan Information

**Loan Term** 30 years  
**Purpose** Refinance  
**Product** Fixed Rate  
**Loan Type**  Conventional  FHA  
 VA   
**Loan ID #** 123456789  
**MIC #** 009874513

Loan Terms	Can this amount increase after closing?	
<b>Loan Amount</b>	\$150,000	<b>NO</b>
<b>Interest Rate</b>	4.25%	<b>NO</b>
<b>Monthly Principal &amp; Interest</b> <i>See Projected Payments below for your Estimated Total Monthly Payment</i>	\$737.91	<b>NO</b>
<b>Does the loan have these features?</b>		
<b>Prepayment Penalty</b>		<b>NO</b>
<b>Balloon Payment</b>		<b>NO</b>

Projected Payments		
Payment Calculation	Years 1-4	Years 5-30
Principal & Interest	\$737.91	\$737.91
Mortgage Insurance	+ 82.35	+ —
Estimated Escrow <i>Amount can increase over time</i>	+ 206.13	+ 206.13
<b>Estimated Total Monthly Payment</b>	<b>\$1,026.39</b>	<b>\$944.04</b>
<b>Estimated Taxes, Insurance &amp; Assessments</b> <i>Amount can increase over time See details on page 4</i>	\$356.13 a month	<b>This estimate includes</b> <input checked="" type="checkbox"/> Property Taxes <input checked="" type="checkbox"/> Homeowner's Insurance <input checked="" type="checkbox"/> Other: HOA <i>See page 4 for escrowed property costs. You must pay for other property costs separately.</i>
		<b>In escrow?</b> <b>YES</b> <b>YES</b> <b>NO</b>

Cash to Close	
<b>Cash to Close</b>	-\$29,677.43 Includes \$5,757.57 in Closing Costs (\$3,495.50 in Loan Costs + \$2,762.07 in Other Costs – \$500 in Lender Credits). See details on page 2.

Round 4 – Closing Disclosure, Design 1 Proposed Refinance, Cash Back, page 2

POST-PROPOSAL CONSUMER TESTING OF THE SPANISH AND REFINANCE INTEGRATED TILA-RESPA DISCLOSURES

**Closing Cost Details**

Loan Costs	Borrower-Paid		Paid by Others
	At Closing	Before Closing	
<b>A. Origination Charges</b>	<b>\$1,950.00</b>		
01 .5 % of Loan Amount (Points)	\$750.00		
02 Application Fee	\$250.00		
03 Origination Fee	\$450.00		
04 Underwriting Fee	\$500.00		
05			
06			
07			
08			
<b>B. Services Borrower Did Not Shop For</b>	<b>\$610.00</b>		
01 Appraisal Fee to John Smith Appraisers Inc.		\$405.00	
02 Credit Report Fee to Information Inc.		\$30.00	
03 Flood Determination Fee to Info Co.	\$20.00		
04 Flood Monitoring Fee to Info Co.	\$45.00		
05 Tax Monitoring Fee to Info Co.	\$65.00		
06 Tax Status Research Fee to Info Co.	\$45.00		
07			
08			
09			
10			
<b>C. Services Borrower Did Shop For</b>	<b>\$935.50</b>		
01 Pest Inspection Fee to Pests Co.	\$85.00		
02 Title – Insurance Binder to Epsilon Title Co.	\$50.00		
03 Title – Lender’s Title Policy to Epsilon Title Co.	\$250.50		
04 Title – Settlement Agent Fee to Epsilon Title Co.	\$350.00		
05 Title – Title Search to Epsilon Title Co.	\$200.00		
06			
07			
08			
<b>D. TOTAL LOAN COSTS (Borrower-Paid)</b>	<b>\$3,495.50</b>		
Loan Costs Subtotals (A + B + C)	\$3,060.50	\$435.00	
<b>Other Costs</b>			
<b>E. Taxes and Other Government Fees</b>	<b>\$60.00</b>		
01 Recording Fees Deed: Mortgage: \$60.00	\$60.00		
02 State Transfer Tax			
<b>F. Prepays</b>	<b>\$2,125.12</b>		
01 Homeowner’s Insurance Premium ( 12 mo.) to Insurance Co.	\$1,209.96		
02 Mortgage Insurance Premium ( mo.)			
03 Prepaid Interest \$17.71 per day from 4/15/2013 to 5/1/2013	\$283.36		
04 Property Taxes ( 6 mo.) to Any County USA	\$631.80		
05			
<b>G. Initial Escrow Payment at Closing</b>	<b>\$576.95</b>		
01 Homeowner’s Insurance \$100.83 per month for 2 mo.	\$201.66		
02 Mortgage Insurance \$82.35 per month for 2 mo.	\$164.70		
03 Property Taxes \$105.30 per month for 2 mo.	\$210.60		
04			
05			
06			
07			
08 Aggregate Adjustment	– \$0.01		
<b>H. Other</b>			
01			
02			
03			
04			
05			
06			
07			
08			
<b>I. TOTAL OTHER COSTS (Borrower-Paid)</b>	<b>\$2,762.07</b>		
Other Costs Subtotals (E + F + G + H)	\$2,762.07		
<b>J. TOTAL CLOSING COSTS (Borrower-Paid)</b>	<b>\$5,757.57</b>		
Closing Costs Subtotals (D + I)	\$5,822.57	\$435.00	
Lender Credits	– \$500.00		

Round 4 – Closing Disclosure, Design 1 Proposed Refinance, Cash Back, page 3

**Calculating Cash to Close**

Use this table to see what has changed from your Loan Estimate.

	Estimate	Final	Did this change?
Total Closing Costs (J)	\$5,099.00	\$5,757.57	<b>YES</b> • See <b>Total Loan Costs (D)</b> and <b>Total Other Costs (I)</b>
Closing Costs Paid Before Closing	\$0	– \$435.00	<b>YES</b> • You paid these Closing Costs <b>before closing</b>
Closing Costs Financed (Included in Loan Amount)	– \$5,099.00	– \$5,322.57	<b>YES</b> • The amount of Closing Costs you included in your Loan Amount <b>increased</b>
Down Payment/Funds from Borrower	\$0	\$0	<b>NO</b>
Funds for Borrower	– \$24,901.00	– \$29,677.43	<b>YES</b> • After the disbursements below, the funds available to you have <b>increased</b>
<b>Cash to Close</b>	– \$24,901.00	– \$29,677.43	

**Disbursements to Others**

Use this table to see a list of payments from your loan funds.

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	
<b>Total Disbursements to Others</b>	\$115,000.00

Round 4 – Closing Disclosure, Design 1 Proposed Refinance, Cash Back, page 4

**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), which would be applied to your loan.
  - does not accept partial payments or may hold them in a separate account. If you pay the rest of the payment held, your lender may apply the full payment to your loan.
- If this loan is sold, your new lender may have a different policy.

**Security Interest**

You are granting a security interest in \_\_\_\_\_  
 123 Anywhere Street, 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: <i>Property Taxes, Homeowner's Insurance</i>
Non-Escrowed Property Costs over Year 1	\$1,800.00	Estimated total amount over year 1 for your non-escrowed property costs: <i>HOA Dues</i>  You may have other property costs.
Initial Escrow Payment	\$576.95	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.



Round 4 – Loan Estimate, Design 1 Proposed Refinance, Cash Back, page 1

## BALSAM BANK

4321 Random Boulevard • Somecity, ST 12340

Save this Loan Estimate to compare with your Closing Disclosure.

### Loan Estimate

**DATE ISSUED** 2/15/2013  
**APPLICANTS** John A. and Mary B.  
 123 Anywhere Street  
 Anytown, ST 12345  
**PROPERTY** 123 Anywhere Street  
 Anytown, ST 12345  
**EST. PROP. VALUE** \$180,000

**LOAN TERM** 30 years  
**PURPOSE** Refinance  
**PRODUCT** Fixed Rate  
**LOAN TYPE**  Conventional  FHA  VA  \_\_\_\_\_  
**LOAN ID #** 123456789  
**RATE LOCK**  NO  YES, until 4/16/2013 at 5:00 p.m. EDT  
*Before closing, your interest rate, points, and lender credits can change unless you lock the interest rate. All other estimated closing costs expire on 3/22/2013 at 5:00 p.m. EDT*

Loan Terms	Can this amount increase after closing?	
<b>Loan Amount</b>	\$150,000	<b>NO</b>
<b>Interest Rate</b>	4.125%	<b>NO</b>
<b>Monthly Principal &amp; Interest</b> <i>See Projected Payments below for your Estimated Total Monthly Payment</i>	\$726.97	<b>NO</b>
<b>Does the loan have these features?</b>		
<b>Prepayment Penalty</b>		<b>NO</b>
<b>Balloon Payment</b>		<b>NO</b>

Projected Payments		
Payment Calculation	Years 1-4	Years 5-30
Principal & Interest	\$726.97	\$726.97
Mortgage Insurance	+ 82	+ —
Estimated Escrow <i>Amount can increase over time</i>	+ 206	+ 206
<b>Estimated Total Monthly Payment</b>	<b>\$1,015</b>	<b>\$933</b>
<b>Estimated Taxes, Insurance &amp; Assessments</b> <i>Amount can increase over time</i>	\$206 a month	<b>This estimate includes</b> <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>
		<b>In escrow?</b> <b>YES</b> <b>YES</b>

Cash to Close	
<b>Estimated Cash to Close</b>	– \$24,309 Includes \$5,691 in Closing Costs (\$3,641 in Loan Costs + \$2,050 in Other Costs – \$0 in Lender Credits). See details on page 2.

Visit [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore) for general information and tools.

Round 4 – Loan Estimate, Design 1 Proposed Refinance, Cash Back, page 2

**Closing Cost Details**

**Loan Costs**

<b>A. Origination Charges</b>	<b>\$2,250</b>
1 % of Loan Amount (Points)	\$1,500
Application Fee	\$750

<b>B. Services You Cannot Shop For</b>	<b>\$630</b>
Appraisal Fee	\$410
Credit Report Fee	\$35
Flood Determination Fee	\$25
Flood Monitoring Fee	\$50
Tax Monitoring Fee	\$65
Tax Status Research Fee	\$45

<b>C. Services You Can Shop For</b>	<b>\$761</b>
Pest Inspection Fee	\$75
Title – Insurance Binder	\$35
Title – Lender’s Title Policy	\$251
Title – Settlement Agent Fee	\$250
Title – Title Search	\$150

<b>D. TOTAL LOAN COSTS (A + B + C)</b>	<b>\$3,641</b>
--	----------------

**Other Costs**

<b>E. Taxes and Other Government Fees</b>	<b>\$60</b>
Recording Fees and Other Taxes	\$60
Transfer Taxes	

<b>F. Prepaids</b>	<b>\$1,577</b>
Homeowner’s Insurance Premium ( <u>6</u> months)	\$605
Mortgage Insurance Premium ( <u>1</u> months)	\$82
Prepaid Interest ( \$17.19 per day for 15 days @ 4.125%)	\$258
Property Taxes ( <u>6</u> months)	\$632

<b>G. Initial Escrow Payment at Closing</b>	<b>\$413</b>
Homeowner’s Insurance \$100.83 per month for 2 mo.	\$202
Mortgage Insurance per month for mo	
Property Taxes \$105.30 per month for 2 mo.	\$211

<b>H. Other</b>	<b>\$0</b>
-----------------	------------

<b>I. TOTAL OTHER COSTS (E + F + G + H)</b>	<b>\$2,050</b>
---	----------------

<b>J. TOTAL CLOSING COSTS</b>	<b>\$5,691</b>
D + I	\$5,691
Lender Credits	

**Calculating Cash to Close**

Total Closing Costs (J)	\$5,691
Closing Costs Financed (Included in Loan Amount)	– \$5,691
Down Payment/Funds from Borrower	\$0
Deposit	\$0
Funds for Borrower	– \$24,309
Seller Credits	\$0
Adjustments and Other Credits	\$0
<b>Estimated Cash to Close</b>	<b>– \$24,309</b>



Round 4 – Loan Estimate, Design 1 Proposed Refinance, Cash Back, page 3

**Additional Information About This Loan**

**LENDER** Balsam Bank  
**NMLS/LICENSE ID**  
**LOAN OFFICER** Joe Smith  
**NMLS ID** 12345  
**EMAIL** joesmith@balsambank.com  
**PHONE** 123-456-7890

**MORTGAGE BROKER**  
**NMLS/LICENSE ID**  
**LOAN OFFICER**  
**NMLS ID**  
**EMAIL**  
**PHONE**

**Comparisons**

Use these measures to compare this loan with other loans.

<b>In 5 Years</b>	\$51,305	Total you will have paid in principal, interest, mortgage insurance, and loan costs.
	\$14,057	Principal you will have paid off.
<b>Annual Percentage Rate (APR)</b>	4.423%	Your costs over the loan term expressed as a rate. This is not your interest rate.
<b>Total Interest Percentage (TIP)</b>	74.65%	The total amount of interest that you will pay over the loan term as a percentage of your loan amount.

**Other Considerations**

- Appraisal** We may order an appraisal to determine the property's value and charge you for this appraisal. We will promptly give you a copy of any appraisal, even if your loan does not close. You can pay for an additional appraisal for your own use at your own cost.
- Assumption** If you sell or transfer this property to another person, we  
 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.
- Homeowner's Insurance** This loan requires homeowner's insurance on the property, which you may obtain from a company of your choice that we find acceptable.
- Late Payment** If your payment is more than 15 days late, we will charge a late fee of 5% of the monthly principal and interest payment.
- Loan Acceptance** You do not have to accept this loan because you have received this form or signed a loan application.
- Liability after Foreclosure** Taking this loan could end any state law protection you may currently have against liability for unpaid debt if your lender forecloses on your home. If you lose this protection, you may be liable for debt remaining after foreclosure. You may want to consult a lawyer for more information.
- 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.
- Servicing** We intend  
 to service your loan. If so, you will make your payments to us.  
 to transfer servicing of your loan.

Round 4 – Closing Disclosure, Design 1 Proposed Refinance, Cash Back, page 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** Zeta Title  
**File #** 12-3456  
**Property** 123 Anywhere Street  
 Anytown, ST 12345  
**Appraised Prop. Value** \$180,000

**Transaction Information**

**Borrower** John A. and Mary B.  
 123 Anywhere Street  
 Anytown, ST 12345  
**Lender** Balsam Bank

**Loan Information**

**Loan Term** 30 years  
**Purpose** Refinance  
**Product** Fixed Rate  
**Loan Type**  Conventional  FHA  
 VA  \_\_\_\_\_  
**Loan ID #** 123456789  
**MIC #** 009874513

Loan Terms	Can this amount increase after closing?	
<b>Loan Amount</b>	\$150,000	<b>NO</b>
<b>Interest Rate</b>	4.125%	<b>NO</b>
<b>Monthly Principal &amp; Interest</b> <i>See Projected Payments below for your Estimated Total Monthly Payment</i>	\$726.97	<b>NO</b>
	Does the loan have these features?	
<b>Prepayment Penalty</b>	<b>NO</b>	
<b>Balloon Payment</b>	<b>NO</b>	

**Projected Payments**

Payment Calculation	Years 1-4	Years 5-30
Principal & Interest	\$726.97	\$726.97
Mortgage Insurance	+ 82.35	+ —
Estimated Escrow <i>Amount can increase over time</i>	+ 206.13	+ 206.13
<b>Estimated Total Monthly Payment</b>	<b>\$1,015.45</b>	<b>\$933.10</b>

<b>Estimated Taxes, Insurance &amp; Assessments</b> <i>Amount can increase over time See details on page 4</i>	<b>\$206.13</b> a month	<b>This estimate includes</b> <input checked="" type="checkbox"/> Property Taxes <input checked="" type="checkbox"/> Homeowner's Insurance <input type="checkbox"/> Other: <i>See page 4 for escrowed property costs. You must pay for other property costs separately.</i>	<b>In escrow?</b> <b>YES</b> <b>YES</b>
---	----------------------------	---	---

**Cash to Close**

<b>Cash to Close</b>	<b>\$6,716.60</b>	Includes <b>\$6,156.60</b> in Closing Costs (\$3,800.50 in Loan Costs + \$2,856.10 in Other Costs – \$500 in Lender Credits). See details on page 2.
----------------------	-------------------	--

Round 4 – Closing Disclosure, Design 1 Proposed Refinance, Cash Back, page 2

POST-PROPOSAL CONSUMER TESTING OF THE SPANISH AND REFINANCE INTEGRATED TILA-RESPA DISCLOSURES

**Closing Cost Details**

Loan Costs	Borrower-Paid		Paid by Others
	At Closing	Before Closing	
<b>A. Origination Charges</b>	<b>\$2,250.00</b>		
01 1 % of Loan Amount (Points)	\$1,500.00		
02 Application Fee	\$750.00		
03			
04			
05			
06			
07			
08			
<b>B. Services Borrower Did Not Shop For</b>	<b>\$620.00</b>		
01 Appraisal Fee to John Smith Appraisers Inc.		\$405.00	
02 Credit Report Fee to Information Inc.		\$35.00	
03 Flood Determination Fee to Info Co.	\$25.00		
04 Flood Monitoring Fee to Info Co.	\$45.00		
05 Tax Monitoring Fee to Info Co.	\$65.00		
06 Tax Status Research Fee to Info Co.	\$45.00		
07			
08			
09			
10			
<b>C. Services Borrower Did Shop For</b>	<b>\$930.50</b>		
01 Pest Inspection Fee to Pests Co.	\$80.00		
02 Title – Insurance Binder to Epsilon Title Co.	\$50.00		
03 Title – Lender’s Title Policy to Epsilon Title Co.	\$250.50		
04 Title – Settlement Agent Fee to Epsilon Title Co.	\$350.00		
05 Title – Title Search to Epsilon Title Co.	\$200.00		
06			
07			
08			
<b>D. TOTAL LOAN COSTS (Borrower-Paid)</b>	<b>\$3,800.50</b>		
Loan Costs Subtotals (A + B + C)	\$3,360.50	\$440.00	
<b>Other Costs</b>			
<b>E. Taxes and Other Government Fees</b>	<b>\$80.00</b>		
01 Recording Fees Deed: Mortgage: \$80.00	\$80.00		
02 State Transfer Tax			
<b>F. Prepays</b>	<b>\$2,199.15</b>		
01 Homeowner’s Insurance Premium ( 12 mo.) to Insurance Co.	\$1,209.96		
02 Mortgage Insurance Premium ( 1 mo.) to MI Co.	\$82.35		
03 Prepaid Interest \$17.19 per day from 4/15/2013 to 5/1/2013	\$275.04		
04 Property Taxes ( 6 mo.) to Any County USA	\$631.80		
05			
<b>G. Initial Escrow Payment at Closing</b>	<b>\$576.95</b>		
01 Homeowner’s Insurance \$100.83 per month for 2 mo.	\$201.66		
02 Mortgage Insurance \$82.35 per month for 2 mo.	\$164.70		
03 Property Taxes \$105.30 per month for 2 mo.	\$210.60		
04			
05			
06			
07			
08 Aggregate Adjustment	– \$0.01		
<b>H. Other</b>			
01			
02			
03			
04			
05			
06			
07			
08			
<b>I. TOTAL OTHER COSTS (Borrower-Paid)</b>	<b>\$2,856.10</b>		
Other Costs Subtotals (E + F + G + H)	\$2,856.10		
<b>J. TOTAL CLOSING COSTS (Borrower-Paid)</b>	<b>\$6,156.60</b>		
Closing Costs Subtotals (D + I)	\$6,216.60	\$440.00	
Lender Credits	– \$500.00		

Round 4 – Closing Disclosure, Design 1 Proposed Refinance, Cash Back, page 3

**Calculating Cash to Close**

Use this table to see what has changed from your Loan Estimate.

	Estimate	Final	Did this change?
Total Closing Costs (J)	\$5,691.00	\$6,156.60	<b>YES</b> • See <b>Total Loan Costs (D)</b> and <b>Total Other Costs (I)</b>
Closing Costs Paid Before Closing	\$0	– \$440.00	<b>YES</b> • You paid these Closing Costs <b>before</b> closing
Closing Costs Financed (Included in Loan Amount)	– \$5,691.00	\$0	<b>YES</b> • The amount of Closing Costs you included in your Loan Amount <b>decreased</b>
Down Payment/Funds from Borrower	\$0	\$1,000.00	<b>YES</b> • You <b>increased</b> this payment. See details in Section K.
Funds for Borrower	– \$24,309.00	\$0	<b>YES</b> • After the disbursements below, the funds available to you have <b>decreased</b>
<b>Cash to Close</b>	– \$24,309.00	\$6,716.60	

**Disbursements to Others**

Use this table to see a list of payments from your loan funds.

TO	AMOUNT
01 Rho Servicing to pay off existing loan	\$124,000.00
02 Beta Card Inc. to pay down credit card balance	\$5,000.00
03 Bob's Home Improvement to pay off mechanic's lien	\$12,000.00
04 State of Anywhere to pay off tax lien	\$10,000.00
05	
06	
07	
08	
09	
10	
11	
12	
13	
14	
15	
<b>Total Disbursements to Others</b>	\$151,000.00

## 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), which would be applied to your loan.
- does not accept partial payments or may hold them in a separate account. If you pay the rest of the payment held, your lender may apply the full payment to your loan.

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

#### Security Interest

You are granting a security interest in \_\_\_\_\_  
 123 Anywhere Street, 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: <i>Property Taxes, Homeowner's Insurance</i>
Non-Escrowed Property Costs over Year 1	\$0.00	Estimated total amount over year 1 for your non-escrowed property costs:  You may have other property costs.
Initial Escrow Payment	\$576.95	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.

Round 4 – Closing Disclosure, Design 1 Proposed Refinance, Cash Back, page 5

**Loan Calculations**

<b>Total of Payments.</b> Total you will have paid after you make all payments of principal, interest, mortgage insurance, and loan costs, as scheduled.	\$269,574.50
<b>Finance Charge.</b> The dollar amount the loan will cost you.	\$116,884.00
<b>Amount Financed.</b> The loan amount available after paying your upfront finance charge.	\$148,367.91
<b>Annual Percentage Rate (APR).</b> Your costs over the loan term expressed as a rate. This is not your interest rate.	4.404%
<b>Total Interest Percentage (TIP).</b> The total amount of interest that you will pay over the loan term as a percentage of your loan amount.	74.66%



**Questions?** If you have questions about the loan terms and costs on this form, contact your lender. To get more information or make a complaint, contact the Consumer Financial Protection Bureau at [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore).

**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 be liable for debt remaining after the 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.

**Contact Information**

	<b>Lender</b>	<b>Mortgage Broker</b>	<b>Settlement Agent</b>
<b>Name</b>	Balsam Bank		Zeta Title
<b>Address</b>	4321 Random Blvd. Somecity, ST 12340		321 Uptown Dr. Anytown, ST 12345
<b>NMLS ID</b>			P76821
<b>License ID</b>			
<b>Contact</b>	Joe S.		Joan T.
<b>Contact NMLS ID</b>	12345		
<b>Contact License ID</b>			
<b>Email</b>	joesmith@balsambank.com		joan@zt.biz
<b>Phone</b>	123-456-7890		555-321-9876

**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

Round 4 – Loan Estimate, Design 2 Revised Refinance, Cash Back, page 1

**FICUS BANK**

4321 Random Boulevard • Somers, CT 06083

Save this Loan Estimate to compare with your Closing Disclosure.

**Loan Estimate**

**DATE ISSUED** 2/15/2013  
**APPLICANTS** John A. and Mary B.  
 123 Anywhere Street  
 Anytown, ST 12345  
**PROPERTY**  
 123 Anywhere Street  
 Anytown, ST 12345  
**EST. PROP. VALUE** \$180,000

**LOAN TERM** 30 years  
**PURPOSE** Refinance  
**PRODUCT** Fixed Rate  
**LOAN TYPE**  Conventional  FHA  VA  \_\_\_\_\_  
**LOAN ID #** 123456789  
**RATE LOCK**  NO  YES, until 4/16/2013 at 5:00 p.m. EDT  
*Before closing, your interest rate, points, and lender credits can change unless you lock the interest rate. All other estimated closing costs expire on 3/22/2013 at 5:00 p.m. EDT*

Loan Terms		Can this amount increase after closing?
<b>Loan Amount</b>	\$150,000	<b>NO</b>
<b>Interest Rate</b>	4.25%	<b>NO</b>
<b>Monthly Principal &amp; Interest</b> <i>See Projected Payments below for your Estimated Total Monthly Payment</i>	\$737.91	<b>NO</b>
<b>Does the loan have these features?</b>		
<b>Prepayment Penalty</b>		<b>NO</b>
<b>Balloon Payment</b>		<b>NO</b>

Projected Payments		
Payment Calculation	Years 1-4	Years 5-30
Principal & Interest	\$737.91	\$737.91
Mortgage Insurance	+ 82	+ —
Estimated Escrow <i>Amount can increase over time</i>	+ 206	+ 206
<b>Estimated Total Monthly Payment</b>	<b>\$1,026</b>	<b>\$944</b>
<b>Estimated Taxes, Insurance &amp; Assessments</b> <i>Amount can increase over time</i>	\$206 a month	<b>This estimate includes</b> <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>
		<b>In escrow?</b> <b>YES</b> <b>YES</b>

Cash to Close	
<b>Estimated Cash to Close</b>	\$0 Includes \$5,099 in Closing Costs (\$3,521 in Loan Costs + \$2,078 in Other Costs – \$500 in Lender Credits). See details on page 2.

Visit [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore) for general information and tools.

Round 4 – Loan Estimate, Design 2 Revised Refinance, Cash Back, page 2

**Closing Cost Details**

**Loan Costs**

<b>A. Origination Charges</b>	<b>\$1,950</b>
.5 % of Loan Amount (Points)	\$750
Application Fee	\$250
Origination Fee	\$450
Underwriting Fee	\$500

<b>B. Services You Cannot Shop For</b>	<b>\$635</b>
Appraisal Fee	\$425
Credit Report Fee	\$30
Flood Determination Fee	\$25
Flood Monitoring Fee	\$45
Tax Monitoring Fee	\$65
Tax Status Research Fee	\$45

<b>C. Services You Can Shop For</b>	<b>\$936</b>
Pest Inspection Fee	\$85
Title – Insurance Binder	\$50
Title – Lender’s Title Policy	\$251
Title – Settlement Agent Fee	\$350
Title – Title Search	\$200

<b>D. TOTAL LOAN COSTS (A + B + C)</b>	<b>\$3,521</b>
--	----------------

**Other Costs**

<b>E. Taxes and Other Government Fees</b>	<b>\$80</b>
Recording Fees and Other Taxes	\$80
Transfer Taxes	

<b>F. Prepays</b>	<b>\$1,585</b>
Homeowner’s Insurance Premium ( <u>6</u> months)	\$605
Mortgage Insurance Premium ( <u>1</u> months)	\$82
Prepaid Interest ( \$17.71 per day for 15 days @ 4.25%)	\$266
Property Taxes ( <u>6</u> months)	\$632

<b>G. Initial Escrow Payment at Closing</b>	<b>\$413</b>
Homeowner’s Insurance \$100.83 per month for 2 mo.	\$202
Mortgage Insurance per month for mo	
Property Taxes \$105.30 per month for 2 mo.	\$211

<b>H. Other</b>	<b>\$0</b>
-----------------	------------

<b>I. TOTAL OTHER COSTS (E + F + G + H)</b>	<b>\$2,078</b>
---	----------------

<b>J. TOTAL CLOSING COSTS</b>	<b>\$5,099</b>
D + I	\$5,599
Lender Credits	– \$500

**Calculating Cash to Close**

Loan Amount	\$150,000
Total Closing Costs (J)	– \$5,099
Estimated Payoffs and Payments	– \$120,000

<b>Estimated Cash</b> <input type="checkbox"/> From <input checked="" type="checkbox"/> To Borrower	\$24,901
---	----------

Estimated Closing Costs Financed (Included in Loan Amount)	\$5,099
---	---------



Round 4 – Loan Estimate, Design 2 Revised Refinance, Cash Back, page 3

**Additional Information About This Loan**

**LENDER** Ficus Bank  
**NMLS/LICENSE ID**  
**LOAN OFFICER** Joe Smith  
**NMLS ID** 12345  
**EMAIL** joesmith@ficusbank.com  
**PHONE** 123-456-7890

**MORTGAGE BROKER**  
**NMLS/LICENSE ID**  
**LOAN OFFICER**  
**NMLS ID**  
**EMAIL**  
**PHONE**

Comparisons	Use these measures to compare this loan with other loans.	
<b>In 5 Years</b>	\$51,932	Total you will have paid in principal, interest, mortgage insurance, and loan costs.
	\$13,788	Principal you will have paid off.
<b>Annual Percentage Rate (APR)</b>	4.546%	Your costs over the loan term expressed as a rate. This is not your interest rate.
<b>Total Interest Percentage (TIP)</b>	77.28%	The total amount of interest that you will pay over the loan term as a percentage of your loan amount.

**Other Considerations**

- Appraisal** We may order an appraisal to determine the property's value and charge you for this appraisal. We will promptly give you a copy of any appraisal, even if your loan does not close. You can pay for an additional appraisal for your own use at your own cost.
- Assumption** If you sell or transfer this property to another person, we
  - 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.
- Homeowner's Insurance** This loan requires homeowner's insurance on the property, which you may obtain from a company of your choice that we find acceptable.
- Late Payment** If your payment is more than 15 days late, we will charge a late fee of 5% of the monthly principal and interest payment.
- Loan Acceptance** You do not have to accept this loan because you have received this form or signed a loan application.
- Liability after Foreclosure** Taking this loan could end any state law protection you may currently have against liability for unpaid debt if your lender forecloses on your home. If you lose this protection, you may be liable for debt remaining after foreclosure. You may want to consult a lawyer for more information.
- 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.
- Servicing** We intend
  - to service your loan. If so, you will make your payments to us.
  - to transfer servicing of your loan.

Round 4 – Closing Disclosure, Design 2 Revised Refinance, Cash Back, page 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** Zeta Title  
**File #** 12-3456  
**Property** 123 Anywhere Street  
 Anytown, ST 12345  
**Appraised Prop. Value** \$180,000

### Transaction Information

**Borrower** John A. and Mary B.  
 123 Anywhere Street  
 Anytown, ST 12345  
**Lender** Ficus Bank

### Loan Information

**Loan Term** 30 years  
**Purpose** Refinance  
**Product** Fixed Rate  
**Loan Type**  Conventional  FHA  
 VA   
**Loan ID #** 123456789  
**MIC #** 009874513

Loan Terms	Can this amount increase after closing?	
<b>Loan Amount</b>	\$150,000	<b>NO</b>
<b>Interest Rate</b>	4.25%	<b>NO</b>
<b>Monthly Principal &amp; Interest</b> <i>See Projected Payments below for your Estimated Total Monthly Payment</i>	\$737.91	<b>NO</b>
<b>Does the loan have these features?</b>		
<b>Prepayment Penalty</b>		<b>NO</b>
<b>Balloon Payment</b>		<b>NO</b>

### Projected Payments

Payment Calculation	Years 1-4	Years 5-30								
Principal & Interest	\$737.91	\$737.91								
Mortgage Insurance	+ 82.35	+ —								
Estimated Escrow <i>Amount can increase over time</i>	+ 206.13	+ 206.13								
<b>Estimated Total Monthly Payment</b>	<b>\$1,026.39</b>	<b>\$944.04</b>								
<b>Estimated Taxes, Insurance &amp; Assessments</b> <i>Amount can increase over time See details on page 4</i>	\$356.13 a month	<table border="0"> <tr> <td><b>This estimate includes</b></td> <td><b>In escrow?</b></td> </tr> <tr> <td><input checked="" type="checkbox"/> Property Taxes</td> <td><b>YES</b></td> </tr> <tr> <td><input checked="" type="checkbox"/> Homeowner's Insurance</td> <td><b>YES</b></td> </tr> <tr> <td><input checked="" type="checkbox"/> Other: HOA</td> <td><b>NO</b></td> </tr> </table> <p><i>See page 4 for escrowed property costs. You must pay for other property costs separately.</i></p>	<b>This estimate includes</b>	<b>In escrow?</b>	<input checked="" type="checkbox"/> Property Taxes	<b>YES</b>	<input checked="" type="checkbox"/> Homeowner's Insurance	<b>YES</b>	<input checked="" type="checkbox"/> Other: HOA	<b>NO</b>
<b>This estimate includes</b>	<b>In escrow?</b>									
<input checked="" type="checkbox"/> Property Taxes	<b>YES</b>									
<input checked="" type="checkbox"/> Homeowner's Insurance	<b>YES</b>									
<input checked="" type="checkbox"/> Other: HOA	<b>NO</b>									

### Cash to Close

<b>Cash to Close</b>	\$0	Includes \$5,757.57 in Closing Costs (\$3,495.50 in Loan Costs + \$2,762.07 in Other Costs – \$500 in Lender Credits). See details on page 2.
----------------------	-----	---

Round 4 – Closing Disclosure, Design 2 Revised Refinance, Cash Back, page 2

POST-PROPOSAL CONSUMER TESTING OF THE SPANISH AND REFINANCE INTEGRATED TILA-RESPA DISCLOSURES

**Closing Cost Details**

Loan Costs	Borrower-Paid		Paid by Others
	At Closing	Before Closing	
<b>A. Origination Charges</b>	<b>\$1,950.00</b>		
01 .5 % of Loan Amount (Points)	\$750.00		
02 Application Fee	\$250.00		
03 Origination Fee	\$450.00		
04 Underwriting Fee	\$500.00		
05			
06			
07			
08			
<b>B. Services Borrower Did Not Shop For</b>	<b>\$610.00</b>		
01 Appraisal Fee to John Smith Appraisers Inc.		\$405.00	
02 Credit Report Fee to Information Inc.		\$30.00	
03 Flood Determination Fee to Info Co.	\$20.00		
04 Flood Monitoring Fee to Info Co.	\$45.00		
05 Tax Monitoring Fee to Info Co.	\$65.00		
06 Tax Status Research Fee to Info Co.	\$45.00		
07			
08			
09			
10			
<b>C. Services Borrower Did Shop For</b>	<b>\$935.50</b>		
01 Pest Inspection Fee to Pests Co.	\$85.00		
02 Title – Insurance Binder to Epsilon Title Co.	\$50.00		
03 Title – Lender’s Title Policy to Epsilon Title Co.	\$250.50		
04 Title – Settlement Agent Fee to Epsilon Title Co.	\$350.00		
05 Title – Title Search to Epsilon Title Co.	\$200.00		
06			
07			
08			
<b>D. TOTAL LOAN COSTS (Borrower-Paid)</b>	<b>\$3,495.50</b>		
Loan Costs Subtotals (A + B + C)	\$3,060.50	\$435.00	
<b>Other Costs</b>			
<b>E. Taxes and Other Government Fees</b>	<b>\$60.00</b>		
01 Recording Fees Deed: Mortgage: \$60.00	\$60.00		
02 State Transfer Tax			
<b>F. Prepays</b>	<b>\$2,125.12</b>		
01 Homeowner’s Insurance Premium ( 12 mo.) to Insurance Co.	\$1,209.96		
02 Mortgage Insurance Premium ( mo.)			
03 Prepaid Interest \$17.71 per day from 4/15/2013 to 5/1/2013	\$283.36		
04 Property Taxes ( 6 mo.) to Any County USA	\$631.80		
05			
<b>G. Initial Escrow Payment at Closing</b>	<b>\$576.95</b>		
01 Homeowner’s Insurance \$100.83 per month for 2 mo.	\$201.66		
02 Mortgage Insurance \$82.35 per month for 2 mo.	\$164.70		
03 Property Taxes \$105.30 per month for 2 mo.	\$210.60		
04			
05			
06			
07			
08 Aggregate Adjustment	– \$0.01		
<b>H. Other</b>			
01			
02			
03			
04			
05			
06			
07			
08			
<b>I. TOTAL OTHER COSTS (Borrower-Paid)</b>	<b>\$2,762.07</b>		
Other Costs Subtotals (E + F + G + H)	\$2,762.07		
<b>J. TOTAL CLOSING COSTS (Borrower-Paid)</b>	<b>\$5,757.57</b>		
Closing Costs Subtotals (D + I)	\$5,822.57	\$435.00	
Lender Credits	– \$500.00		

Round 4 – Closing Disclosure, Design 2 Revised Refinance, Cash Back, page 3

**Calculating Cash to Close**

Use this table to see what has changed from your Loan Estimate.

	Estimate	Final	Did this change?
Loan Amount	\$150,000.00	\$150,000.00	<b>NO</b>
Total Closing Costs (J)	– \$5,099.00	– \$5,757.57	<b>YES</b> • See <b>Total Loan Costs (D)</b> and <b>Total Other Costs (I)</b>
Closing Costs Paid Before Closing	\$0	\$435.00	<b>YES</b> • You paid these Closing Costs <b>before closing</b>
Payoffs and Payments (K)	– \$120,000.00	– \$115,000.00	<b>YES</b> • See <b>Payoffs and Payments (K)</b>
<b>Estimated Cash</b>	\$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 (Included in Loan Amount) \$5,322.57

**Payoffs and Payments**

Use this table to see a summary of disbursements to others from your loan funds.

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	
<b>K. TOTAL PAYOFFS AND PAYMENTS</b>	\$115,000.00

**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), which would be applied to your loan.
  - does not accept partial payments or may hold them in a separate account. If you pay the rest of the payment held, your lender may apply the full payment to your loan.
- If this loan is sold, your new lender may have a different policy.

**Security Interest**

You are granting a security interest in \_\_\_\_\_  
 123 Anywhere Street, 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: <i>Property Taxes, Homeowner's Insurance</i>
Non-Escrowed Property Costs over Year 1	\$1,800.00	Estimated total amount over year 1 for your non-escrowed property costs: <i>HOA Dues</i>  You may have other property costs.
Initial Escrow Payment	\$576.95	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.

Round 4 – Closing Disclosure, Design 2 Revised Refinance, Cash Back, page 5

**Loan Calculations**

<b>Total of Payments.</b> Total you will have paid after you make all payments of principal, interest, mortgage insurance, and loan costs, as scheduled.	\$273,214.50
<b>Finance Charge.</b> The dollar amount the loan will cost you.	\$121,029.00
<b>Amount Financed.</b> The loan amount available after paying your upfront finance charge.	\$148,241.94
<b>Annual Percentage Rate (APR).</b> Your costs over the loan term expressed as a rate. This is not your interest rate.	4.543%
<b>Total Interest Percentage (TIP).</b> The total amount of interest that you will pay over the loan term as a percentage of your loan amount.	77.29%

**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 be liable for debt remaining after the 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.



**Questions?** If you have questions about the loan terms and costs on this form, contact your lender. To get more information or make a complaint, contact the Consumer Financial Protection Bureau at [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore).

**Contact Information**

	<b>Lender</b>	<b>Mortgage Broker</b>	<b>Settlement Agent</b>
<b>Name</b>	Ficus Bank		Zeta Title
<b>Address</b>	4321 Random Blvd. Somecity, ST 12340		321 Uptown Dr. Anytown, ST 12345
<b>NMLS ID</b>			P76821
<b>License ID</b>			
<b>Contact</b>	Joe S.		Joan T.
<b>Contact NMLS ID</b>	12345		
<b>Contact License ID</b>			
<b>Email</b>	joesmith@ficusbank.com		joan@zt.biz
<b>Phone</b>	123-456-7890		555-321-9876

**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 \_\_\_\_\_

Round 4 – Loan Estimate, Design 2 Revised Refinance, Cash Back, page 1

**FIR BANK**

4321 Random Boulevard • Somercity, ST 12340

Save this Loan Estimate to compare with your Closing Disclosure.

**Loan Estimate**

**DATE ISSUED** 2/15/2013  
**APPLICANTS** John A. and Mary B.  
 123 Anywhere Street  
 Anytown, ST 12345  
**PROPERTY** 123 Anywhere Street  
 Anytown, ST 12345  
**EST. PROP. VALUE** \$180,000

**LOAN TERM** 30 years  
**PURPOSE** Refinance  
**PRODUCT** Fixed Rate  
**LOAN TYPE**  Conventional  FHA  VA  \_\_\_\_\_  
**LOAN ID #** 123456789  
**RATE LOCK**  NO  YES, until 4/16/2013 at 5:00 p.m. EDT  
*Before closing, your interest rate, points, and lender credits can change unless you lock the interest rate. All other estimated closing costs expire on 3/22/2013 at 5:00 p.m. EDT*

Loan Terms		Can this amount increase after closing?
<b>Loan Amount</b>	\$150,000	<b>NO</b>
<b>Interest Rate</b>	4.125%	<b>NO</b>
<b>Monthly Principal &amp; Interest</b> <i>See Projected Payments below for your Estimated Total Monthly Payment</i>	\$726.97	<b>NO</b>
<b>Does the loan have these features?</b>		
<b>Prepayment Penalty</b>		<b>NO</b>
<b>Balloon Payment</b>		<b>NO</b>

Projected Payments			
Payment Calculation	Years 1-4		Years 5-30
Principal & Interest	\$726.97		\$726.97
Mortgage Insurance	+	82	+ —
Estimated Escrow <i>Amount can increase over time</i>	+	206	+ 206
<b>Estimated Total Monthly Payment</b>	<b>\$1,015</b>		<b>\$933</b>
<b>Estimated Taxes, Insurance &amp; Assessments</b> <i>Amount can increase over time</i>	\$206 a month	<b>This estimate includes</b> <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>	<b>In escrow?</b> <b>YES</b> <b>YES</b>

Cash to Close	
<b>Estimated Cash to Close</b>	<b>\$0</b> Includes \$5,691 in Closing Costs (\$3,641 in Loan Costs + \$2,050 in Other Costs – \$0 in Lender Credits). See details on page 2.

Visit [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore) for general information and tools.

Round 4 – Loan Estimate, Design 2 Revised Refinance, Cash Back, page 2

**Closing Cost Details**

**Loan Costs**

<b>A. Origination Charges</b>	<b>\$2,250</b>
1 % of Loan Amount (Points)	\$1,500
Application Fee	\$750

<b>B. Services You Cannot Shop For</b>	<b>\$630</b>
Appraisal Fee	\$410
Credit Report Fee	\$35
Flood Determination Fee	\$25
Flood Monitoring Fee	\$50
Tax Monitoring Fee	\$65
Tax Status Research Fee	\$45

<b>C. Services You Can Shop For</b>	<b>\$761</b>
Pest Inspection Fee	\$75
Title – Insurance Binder	\$35
Title – Lender’s Title Policy	\$251
Title – Settlement Agent Fee	\$150
Title – Title Search	\$250

<b>D. TOTAL LOAN COSTS (A + B + C)</b>	<b>\$3,641</b>
--	----------------

**Other Costs**

<b>E. Taxes and Other Government Fees</b>	<b>\$60</b>
Recording Fees and Other Taxes	\$60
Transfer Taxes	

<b>F. Prepays</b>	<b>\$1,577</b>
Homeowner’s Insurance Premium ( <u>6</u> months)	\$605
Mortgage Insurance Premium ( <u>1</u> months)	\$82
Prepaid Interest ( \$17.19 per day for 15 days @ 4.125%)	\$258
Property Taxes ( <u>6</u> months)	\$632

<b>G. Initial Escrow Payment at Closing</b>	<b>\$413</b>
Homeowner’s Insurance \$100.83 per month for 2 mo.	\$202
Mortgage Insurance per month for mo	
Property Taxes \$105.30 per month for 2 mo.	\$211

<b>H. Other</b>	<b>\$0</b>
-----------------	------------

<b>I. TOTAL OTHER COSTS (E + F + G + H)</b>	<b>\$2,050</b>
---	----------------

<b>J. TOTAL CLOSING COSTS</b>	<b>\$5,691</b>
D + I	\$5,691
Lender Credits	

**Calculating Cash to Close**

Loan Amount	\$150,000
Total Closing Costs (J)	– \$5,691
Estimated Payoffs and Payments	– \$120,000
<b>Estimated Cash</b> <input type="checkbox"/> From <input checked="" type="checkbox"/> To Borrower	\$24,309

Estimated Closing Costs Financed (Included in Loan Amount)	\$5,691
---	---------



Round 4 – Loan Estimate, Design 2 Revised Refinance, Cash Back, page 3

**Additional Information About This Loan**

**LENDER** Fir Bank  
**NMLS/LICENSE ID**  
**LOAN OFFICER** Joe Smith  
**NMLS ID** 12345  
**EMAIL** joesmith@firbank.com  
**PHONE** 123-456-7890

**MORTGAGE BROKER**  
**NMLS/LICENSE ID**  
**LOAN OFFICER**  
**NMLS ID**  
**EMAIL**  
**PHONE**

Comparisons	Use these measures to compare this loan with other loans.	
<b>In 5 Years</b>	\$51,305	Total you will have paid in principal, interest, mortgage insurance, and loan costs.
	\$14,057	Principal you will have paid off.
<b>Annual Percentage Rate (APR)</b>	4.423%	Your costs over the loan term expressed as a rate. This is not your interest rate.
<b>Total Interest Percentage (TIP)</b>	74.65%	The total amount of interest that you will pay over the loan term as a percentage of your loan amount.

**Other Considerations**

- Appraisal** We may order an appraisal to determine the property's value and charge you for this appraisal. We will promptly give you a copy of any appraisal, even if your loan does not close. You can pay for an additional appraisal for your own use at your own cost.
- Assumption** If you sell or transfer this property to another person, we  
 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.
- Homeowner's Insurance** This loan requires homeowner's insurance on the property, which you may obtain from a company of your choice that we find acceptable.
- Late Payment** If your payment is more than 15 days late, we will charge a late fee of 5% of the monthly principal and interest payment.
- Loan Acceptance** You do not have to accept this loan because you have received this form or signed a loan application.
- Liability after Foreclosure** Taking this loan could end any state law protection you may currently have against liability for unpaid debt if your lender forecloses on your home. If you lose this protection, you may be liable for debt remaining after foreclosure. You may want to consult a lawyer for more information.
- 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.
- Servicing** We intend  
 to service your loan. If so, you will make your payments to us.  
 to transfer servicing of your loan.

Round 4 – Closing Disclosure, Design 2 Revised Refinance, Cash Back, page 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** Zeta Title  
**File #** 12-3456  
**Property** 123 Anywhere Street  
 Anytown, ST 12345  
**Appraised Prop. Value** \$180,000

### Transaction Information

**Borrower** John A. and Mary B.  
 123 Anywhere Street  
 Anytown, ST 12345  
**Lender** Fir Bank

### Loan Information

**Loan Term** 30 years  
**Purpose** Refinance  
**Product** Fixed Rate  
**Loan Type**  Conventional  FHA  
 VA  \_\_\_\_\_  
**Loan ID #** 123456789  
**MIC #** 009874513

Loan Terms	Can this amount increase after closing?	
<b>Loan Amount</b>	\$150,000	<b>NO</b>
<b>Interest Rate</b>	4.125%	<b>NO</b>
<b>Monthly Principal &amp; Interest</b> <i>See Projected Payments below for your Estimated Total Monthly Payment</i>	\$726.97	<b>NO</b>
<b>Does the loan have these features?</b>		
<b>Prepayment Penalty</b>		<b>NO</b>
<b>Balloon Payment</b>		<b>NO</b>

### Projected Payments

Payment Calculation	Years 1-4	Years 5-30
Principal & Interest	\$726.97	\$726.97
Mortgage Insurance	+ 82.35	+ —
Estimated Escrow <i>Amount can increase over time</i>	+ 206.13	+ 206.13
<b>Estimated Total Monthly Payment</b>	<b>\$1,015.45</b>	<b>\$933.10</b>

<b>Estimated Taxes, Insurance &amp; Assessments</b> <i>Amount can increase over time See details on page 4</i>	\$206.13 a month	<b>This estimate includes</b> <input checked="" type="checkbox"/> Property Taxes <input checked="" type="checkbox"/> Homeowner's Insurance <input type="checkbox"/> Other: <i>See page 4 for escrowed property costs. You must pay for other property costs separately.</i>	<b>In escrow?</b> <b>YES</b> <b>YES</b>
---	---------------------	---	---

### Cash to Close

<b>Cash to Close</b>	\$6,716.60	Includes \$6,156.60 in Closing Costs (\$3,800.50 in Loan Costs + \$2,856.10 in Other Costs – \$500 in Lender Credits). See details on page 2.
----------------------	------------	---

Round 4 – Closing Disclosure, Design 2 Revised Refinance, Cash Back, page 2

POST-PROPOSAL CONSUMER TESTING OF THE SPANISH AND REFINANCE INTEGRATED TILA-RESPA DISCLOSURES

**Closing Cost Details**

Loan Costs	Borrower-Paid		Paid by Others
	At Closing	Before Closing	
<b>A. Origination Charges</b>	<b>\$2,250.00</b>		
01 1 % of Loan Amount (Points)	\$1,500.00		
02 Application Fee	\$750.00		
03			
04			
05			
06			
07			
08			
<b>B. Services Borrower Did Not Shop For</b>	<b>\$620.00</b>		
01 Appraisal Fee to John Smith Appraisers Inc.		\$405.00	
02 Credit Report Fee to Information Inc.		\$35.00	
03 Flood Determination Fee to Info Co.	\$25.00		
04 Flood Monitoring Fee to Info Co.	\$45.00		
05 Tax Monitoring Fee to Info Co.	\$65.00		
06 Tax Status Research Fee to Info Co.	\$45.00		
07			
08			
09			
10			
<b>C. Services Borrower Did Shop For</b>	<b>\$930.50</b>		
01 Pest Inspection Fee to Pests Co.	\$80.00		
02 Title – Insurance Binder to Epsilon Title Co.	\$50.00		
03 Title – Lender’s Title Policy to Epsilon Title Co.	\$250.50		
04 Title – Settlement Agent Fee to Epsilon Title Co.	\$350.00		
05 Title – Title Search to Epsilon Title Co.	\$200.00		
06			
07			
08			
<b>D. TOTAL LOAN COSTS (Borrower-Paid)</b>	<b>\$3,800.50</b>		
Loan Costs Subtotals (A + B + C)	\$3,360.50	\$440.00	
<b>Other Costs</b>			
<b>E. Taxes and Other Government Fees</b>	<b>\$80.00</b>		
01 Recording Fees Deed: Mortgage: \$80.00	\$80.00		
02 State Transfer Tax			
<b>F. Prepays</b>	<b>\$2,199.15</b>		
01 Homeowner’s Insurance Premium ( 12 mo.) to Insurance Co.	\$1,209.96		
02 Mortgage Insurance Premium ( 1 mo.) to MI Co.	\$82.35		
03 Prepaid Interest \$17.19 per day from 4/15/2013 to 5/1/2013	\$275.04		
04 Property Taxes ( 6 mo.) to Any County USA	\$631.80		
05			
<b>G. Initial Escrow Payment at Closing</b>	<b>\$576.95</b>		
01 Homeowner’s Insurance \$100.83 per month for 2 mo.	\$201.66		
02 Mortgage Insurance \$82.35 per month for 2 mo.	\$164.70		
03 Property Taxes \$105.30 per month for 2 mo.	\$210.60		
04			
05			
06			
07			
08 Aggregate Adjustment	– \$0.01		
<b>H. Other</b>			
01			
02			
03			
04			
05			
06			
07			
08			
<b>I. TOTAL OTHER COSTS (Borrower-Paid)</b>	<b>\$2,856.10</b>		
Other Costs Subtotals (E + F + G + H)	\$2,856.10		
<b>J. TOTAL CLOSING COSTS (Borrower-Paid)</b>	<b>\$6,156.60</b>		
Closing Costs Subtotals (D + I)	\$6,216.60	\$440.00	
Lender Credits	– \$500.00		

CLOSING DISCLOSURE

PAGE 2 OF 5 • LOAN ID # 123456789

Round 4 – Closing Disclosure, Design 2 Revised Refinance, Cash Back, page 3

**Calculating Cash to Close**

Use this table to see what has changed from your Loan Estimate.

	Estimate	Final	Did this change?
Loan Amount	\$150,000.00	\$150,000.00	<b>NO</b>
Total Closing Costs (J)	– \$5,691.00	– \$6,156.60	<b>YES</b> • See <b>Total Loan Costs (D)</b> and <b>Total Other Costs (I)</b>
Closing Costs Paid Before Closing	\$0	\$440.00	<b>YES</b> • You paid these Closing Costs <b>before closing</b>
Payoffs and Payments (K)	– \$120,000.00	– \$151,000.00	<b>YES</b> • See <b>Payoffs and Payments (K)</b>
<b>Estimated Cash</b>	\$24,309.00 <input type="checkbox"/> From <input checked="" type="checkbox"/> To Borrower	\$6,716.60 <input checked="" type="checkbox"/> From <input type="checkbox"/> To Borrower	Closing Costs Financed (Included in Loan Amount) \$0

**Payoffs and Payments**

Use this table to see a summary of disbursements to others from your loan funds.

TO	AMOUNT
01 Rho Servicing to pay off existing loan	\$124,000.00
02 Beta Card Inc. to pay down credit card balance	\$5,000.00
03 Bob's Home Improvement to pay off mechanic's lien	\$12,000.00
04 State of Anywhere to pay off tax lien	\$10,000.00
05	
06	
07	
08	
09	
10	
11	
12	
13	
14	
15	
<b>K. TOTAL PAYOFFS AND PAYMENTS</b>	<b>\$151,000.00</b>

Round 4 – Closing Disclosure, Design 2 Revised Refinance, Cash Back, page 4

**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), which would be applied to your loan.
  - does not accept partial payments or may hold them in a separate account. If you pay the rest of the payment held, your lender may apply the full payment to your loan.
- If this loan is sold, your new lender may have a different policy.

**Security Interest**

You are granting a security interest in \_\_\_\_\_  
 123 Anywhere Street, 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: <i>Property Taxes, Homeowner's Insurance</i>
Non-Escrowed Property Costs over Year 1	\$0.00	Estimated total amount over year 1 for your non-escrowed property costs:  You may have other property costs.
Initial Escrow Payment	\$576.95	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.

Round 4 – Closing Disclosure, Design 2 Revised Refinance, Cash Back, page 5

**Loan Calculations**

<b>Total of Payments.</b> Total you will have paid after you make all payments of principal, interest, mortgage insurance, and loan costs, as scheduled.	\$269,574.50
<b>Finance Charge.</b> The dollar amount the loan will cost you.	\$116,884.00
<b>Amount Financed.</b> The loan amount available after paying your upfront finance charge.	\$148,367.91
<b>Annual Percentage Rate (APR).</b> Your costs over the loan term expressed as a rate. This is not your interest rate.	4.404%
<b>Total Interest Percentage (TIP).</b> The total amount of interest that you will pay over the loan term as a percentage of your loan amount.	74.66%



**Questions?** If you have questions about the loan terms and costs on this form, contact your lender. To get more information or make a complaint, contact the Consumer Financial Protection Bureau at [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore).

**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 be liable for debt remaining after the 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.

**Contact Information**

	<b>Lender</b>	<b>Mortgage Broker</b>	<b>Settlement Agent</b>
<b>Name</b>	Fir Bank		Zeta Title
<b>Address</b>	4321 Random Blvd. Somecity, ST 12340		321 Uptown Dr. Anytown, ST 12345
<b>NMLS ID</b>			P76821
<b>License ID</b>			
<b>Contact</b>	Joe S.		Joan T.
<b>Contact NMLS ID</b>	12345		
<b>Contact License ID</b>			
<b>Email</b>	joesmith@firbank.com		joan@zt.biz
<b>Phone</b>	123-456-7890		555-321-9876

**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 \_\_\_\_\_





# Appendix

# G

## Round 5 – Spanish Refinance Disclosures



Round 5 – Loan Estimate, Refinance, Cash Back, page 1

**FICUS BANK**

4321 Random Boulevard • Somecity, FL 12340

Guarde esta estimación de préstamo para compararla con su declaración de cierre.

**Estimación de préstamo**

**FECHA DE EMISIÓN** 2/15/2013  
**SOLICITANTES** John A. and Mary B.  
 123 Anywhere Street  
 Anytown, FL 12345  
**INMUEBLE** 456 Somewhere Avenue  
 Anytown, FL 12345  
**VALOR ESTIMADO DE LA PROPIEDAD** \$180,000

**PLAZO DEL PRÉSTAMO** 30 años  
**FINALIDAD** Refinanciamiento  
**PRODUCTO** Tasa fija  
**TIPO DE PRÉSTAMO**  Convencional  FHA  VA   
**N.º DEL PRÉSTAMO** 123456789  
**BLOQUEO DE TASA**  NO  SÍ, hasta el 4/16/2013 a las 5:00 p. m. EDT

Antes del cierre, la tasa de interés, los puntos y los créditos del prestamista podrían cambiar, a menos que usted bloquee la tasa de interés. Todos los demás costos de cierre estimados estarán vigentes hasta el **3/22/2013** a las 5:00 p. m. EDT

Términos del préstamo		¿Puede aumentar este monto después del cierre?
<b>Monto del préstamo</b>	\$150,000	<b>NO</b>
<b>Tasa de interés</b>	4.25%	<b>NO</b>
<b>Pago mensual de intereses y capital</b> <i>Consulte la sección de pagos proyectados para saber el pago total mensual estimado</i>	\$737.91	<b>NO</b>
<b>¿Tiene el préstamo estas características?</b>		
<b>Multa por pago anticipado</b>		<b>NO</b>
<b>Cuota extraordinaria</b>		<b>NO</b>

Pagos proyectados		
Cálculo de los pagos	Años 1 a 4	Años 5 a 30
Capital e intereses	\$737.91	\$737.91
Seguro hipotecario	+ 82	+ —
Depósito estimado para impuestos y seguros de la vivienda <i>El monto puede aumentar con el paso del tiempo</i>	+ 206	+ 206
<b>Pago total mensual estimado</b>	<b>\$1,026</b>	<b>\$944</b>
<b>Impuestos, seguro y evaluaciones estimados</b> <i>El monto puede aumentar con el paso del tiempo</i>	\$206 por mes	<b>¿En depósito? SÍ SÍ</b>
	<b>Esta estimación incluye</b> <input checked="" type="checkbox"/> Impuestos sobre la propiedad <input checked="" type="checkbox"/> Seguro de la vivienda <input type="checkbox"/> Otro:	
	<i>Consulte la Sección G en la página 2 para informarse sobre el dinero depositado en una cuenta de depósito para impuestos y seguros. Deberá pagar por separado los demás costos.</i>	

Dinero en efectivo para el cierre	
<b>Dinero en efectivo estimado para el cierre</b> <input type="checkbox"/> De <input checked="" type="checkbox"/> Para Deudor	\$24,901 Incluye \$5,099 por costos de cierre (\$3,521 por costos del préstamo + \$2,078 por otros costos – \$500 por créditos del prestamista). Consulte los detalles en la página 2.

Visite [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore) para información general y ayuda.

## Round 5 – Loan Estimate, Refinance, Cash Back, page 2

### Detalles de los costos del cierre

#### Costos del préstamo

<b>A. Gastos por tramitación</b>	<b>\$1,950</b>
.5 % del monto del préstamo (Puntos)	\$750
Cargo por tramitación	\$450
Cargo por el estudio del crédito	\$500
Cargo por la solicitud del préstamo	\$250

<b>B. Servicios que usted no puede contratar</b>	<b>\$635</b>
Cargo por control de zonas de inundación	\$45
Cargo por determinación de zonas de inundación	\$25
Cargo por fiscalización tributaria	\$65
Cargo por informe de crédito	\$30
Cargos por investigación sobre situación tributaria	\$45
Cargo por valoración de vivienda	\$425

<b>C. Servicios que usted puede contratar</b>	<b>\$936</b>
Cargo por inspección de plagas	\$85
Estudio de títulos de propiedad	\$200
Honorarios del agente a cargo de la operación de cierre	\$350
Póliza del título de propiedad del prestamista	\$251
Título: garantía provisional de seguro del título de propiedad	\$50

<b>D. COSTOS TOTALES DEL PRÉSTAMO (A + B + C)</b>	<b>\$3,521</b>
---	----------------

#### Otros costos

<b>E. Impuestos y otros cargos gubernamentales</b>	<b>\$80</b>
Costos de registro y otros impuestos	\$80
Impuestos por transferencia de título	

<b>F. Pagos anticipados</b>	<b>\$1,585</b>
Impuestos sobre la propiedad (6 meses)	\$632
Pago anticipado de intereses ( \$17.71 diarios durante 15 días a la tasa de 4.25 % )	\$266
Prima del seguro de hipoteca (1 meses)	\$82
Prima del seguro de la vivienda ( 6 meses)	\$605

#### G. Pago inicial de la cuenta en depósito para impuestos y seguros de la vivienda al cierre

<b>G. Pago inicial de la cuenta en depósito para impuestos y seguros de la vivienda al cierre</b>	<b>\$413</b>
Impuestos sobre la propiedad de \$105.30 por mes durante 2 meses	\$211
Seguro de hipoteca por mes durante meses	
Seguro de la vivienda de \$100.83 por mes durante 2 meses	\$202

<b>H. Otros</b>	<b>\$0</b>
-----------------	------------

<b>I. TOTAL DE OTROS COSTOS (E + F + G + H)</b>	<b>\$2,078</b>
---	----------------

#### J. TOTAL DE COSTOS DE CIERRE

<b>J. TOTAL DE COSTOS DE CIERRE</b>	<b>\$5,099</b>
D + I	\$5,599
Créditos del prestamista	- \$500

#### Cálculo del dinero en efectivo para el cierre

Monto del préstamo	\$150,000
Total de costos de cierre (J)	- \$5,099
Liquidaciones y pagos totales estimados	- \$120,000

<b>Dinero en efectivo estimado para el cierre</b>	<b>\$24,901</b>
---	-----------------

De  Para Deudor

Costos de cierre financiados estimados (incluidos en el monto del préstamo)	\$5,099
--	---------

Round 5 – Loan Estimate, Refinance, Cash Back, page 3

**Información adicional sobre este préstamo**

**PRESTAMISTA** Ficus Bank  
**N. ° DE NMLS/LICENCIA**  
**AGENTE DE PRÉSTAMO** Joe Smith  
**N. ° DE NMLS/LICENCIA** 12345  
**CORREO ELECTRÓNICO** joesmith@ficusbank.com  
**TELÉFONO** 123-456-7890

**CORREDOR HIPOTECARIO**  
**N. ° DE NMLS/LICENCIA**  
**AGENTE DE PRÉSTAMO**  
**N. ° DE NMLS/LICENCIA**  
**CORREO ELECTRÓNICO**  
**TELÉFONO**

Comparaciones	Utilice estas medidas para comparar este préstamo con otros.	
<b>En 5 años</b>	\$51,932	total que habrá pagado en capital, intereses, seguro hipotecario y costos del préstamo.
	\$13,788	capital principal que habrá amortizado.
<b>Tasa porcentual anual (APR)</b>	4.537%	sus costos durante el plazo del préstamo expresados como una tasa. Esta no es su tasa de interés.
<b>Total de intereses pagados a lo largo del plazo del préstamo (TIP)</b>	77.28%	el monto total de intereses que pagará durante el plazo del préstamo como porcentaje del monto del préstamo.

**Otras consideraciones**

- Aceptación del préstamo** No es necesario que acepte este préstamo por el hecho de haber firmado o recibido este formulario.
- Administración del préstamo** Nuestra intención es  
 brindarle servicios de administración de su préstamo. De ser así, usted emitirá los pagos a nuestro nombre.  
 transferir los servicios de administración de su préstamo.
- Pago atrasado** Si su pago presenta un retraso de más de 15 días, le cobraremos un recargo del 5 % sobre el monto total de los intereses y el capital que paga mensualmente.
- Refinanciamiento** El refinanciamiento de este préstamo dependerá de su situación financiera futura, del valor de la propiedad y de las condiciones del mercado. Es posible que no se le pueda refinanciar este préstamo.
- Responsabilidad luego de la ejecución de la hipoteca** Si usted acepta este préstamo, podría perder la protección de la ley estatal que quizás tenga en este momento en contra de la responsabilidad de pagar la deuda pendiente si su prestamista ejecuta la hipoteca sobre su casa. Si pierde esta protección, puede que tenga que pagar la deuda restante incluso después de la ejecución de la hipoteca. Le recomendamos que consulte con un abogado para obtener más información
- Seguro de la vivienda** Este préstamo exige un seguro de la vivienda, que puede obtenerse de una empresa que usted seleccione y que nosotros consideremos aceptable.
- Supuestos** Si usted vende o transfiere esta propiedad a otra persona,  
 permitiremos, en determinadas condiciones, que esta persona asuma este préstamo con sus términos y condiciones originales.  
 no permitiremos que esta persona asuma este préstamo con sus términos y condiciones originales.
- Valoración de la vivienda** Es posible que pidamos una valoración de la vivienda para determinar el valor de la propiedad y que le cobremos por esta valoración de la vivienda. Inmediatamente, le daremos una copia de la valoración aunque su préstamo no se cierre. Puede pagar para que se haga otra valoración de la vivienda más para su uso personal y esta correrá por su cuenta.

## Round 5 – Closing Disclosure, Refinance, Cash Back, page 1

### Declaración de cierre

Este formulario es una declaración sobre los términos y condiciones finales del préstamo y los costos de cierre. Compare este documento con su Estimación de préstamo.

#### Información sobre el cierre

Fecha de emisión 4/15/2013  
Fecha de cierre 4/15/2013  
Fecha de desembolso 4/15/2012

Agente a cargo de la operación de cierre Zeta Title  
Archivo N.º 12-3456

Inmueble 123 Anywhere Street  
Anytown, ST 12345

Valoración de la vivienda \$180,000

#### Información sobre la transacción

Deudor John A. and Mary B.  
123 Anywhere Street  
Anytown, ST 12345

Prestamista Ficus Bank

#### Información sobre el préstamo

Plazo del préstamo 30 años  
Finalidad Refinanciamiento  
Producto Tasa fija

Tipo de préstamo  Convencional  FHA  
 VA

N.º del préstamo 123456789  
N.º de MIC 009874513

#### Términos del préstamo

#### ¿Puede aumentar este monto después del cierre?

Monto del préstamo	\$150,000	NO
Tasa de interés	4.25%	NO
Pago mensual de intereses y capital <i>Consulte la sección de pagos proyectados para saber el pago total mensual estimado</i>	\$737.91	NO
		¿Tiene el préstamo estas características?
Multa por pago anticipado		NO
Cuota extraordinaria		NO

#### Pagos proyectados

Cálculo de los pagos	Años 1 a 4	Años 5 a 30
Capital e intereses	\$737.91	\$737.91
Seguro hipotecario	+ 82.35	+ —
Depósito estimado para impuestos y seguros de la vivienda <i>El monto puede aumentar con el paso del tiempo</i>	+ 206.13	+ 206.13
<b>Pago total mensual estimado</b>	<b>\$1,026.39</b>	<b>\$944.04</b>

#### Impuestos, seguro y evaluaciones estimados

\$356.13 por mes  
*El monto puede aumentar con el paso del tiempo. Consulte los detalles en la página 4.*

#### Esta estimación incluye

- Impuestos sobre la propiedad  
 Seguro de la vivienda  
 Otro: Asociación de propietarios

#### ¿En depósito?

SÍ  
SÍ  
NO

*Consulte la página 4 para informarse sobre el dinero depositado en una cuenta de depósito para impuestos y seguros. Deberá pagar por separado los demás costos.*

#### Dinero en efectivo para el cierre

Dinero en efectivo para el cierre  
 De  Para Deudor

\$29,677.43

Incluye \$5,757.57 por costos de cierre (\$3,495.50 por costos del préstamo + \$2,762.07 por otros costos – \$500 por créditos del prestamista). Consulte los detalles en la página 2.

Round 5 – Closing Disclosure, Refinance, Cash Back, page 2

<b>Detalles de los costos de cierre</b>			
<b>Costos del préstamo</b>	Al cierre	Pagados por el deudor Antes del cierre	Pagados por otros
<b>A. Gastos por tramitación</b>		<b>\$1,950.00</b>	
01 .5 % del monto del préstamo (Puntos)		\$750.00	
02 Cargo por el estudio del crédito		\$500.00	
03 Cargo por Tramitación		\$450.00	
04 Cargo por la solicitud del préstamo		\$250.00	
05			
06			
07			
08			
<b>B. Servicios que el deudor no puede contratar</b>		<b>\$610.00</b>	
01 Cargo por control de zonas de inundación para Info Co.		\$45.00	
02 Cargo por determinación de zonas de inundación para Info Co.		\$20.00	
03 Cargo por fiscalización tributaria para Info Co.		\$65.00	
04 Cargo por informe de crédito para Information Inc.			\$30.00
05 Cargo por investigación sobre situación tributaria para Info Co.		\$45.00	
06 Cargo por valoración de la vivienda para John Smith Appraisers Inc.			\$405.00
07			
08			
09			
<b>C. Servicios que el deudor puede contratar</b>		<b>\$935.50</b>	
01 Cargo por inspección de plagas para Pests Co.		\$85.00	
02 Título – Estudio de títulos de propiedad para Epsilon Title Co.		\$200.00	
03 Título – Garantía provisional de seguro del título de propiedad para Epsilon Title Co.		\$50.00	
04 Título – Honorarios del agente a cargo de la operación del título de Inmueble para Epsilon Title Co.		\$350.00	
05 Título – Póliza del prestamista para Epsilon Title Co.		\$250.50	
06			
<b>D. COSTOS TOTALES DEL PRÉSTAMO (Pagados por el deudor)</b>		<b>\$3,495.50</b>	
Subtotales de los costos del préstamo (A + B + C)		\$3,060.50	\$435.00
<b>Otros costos</b>			
<b>E. Impuestos y otros cargos gubernamentales</b>		<b>\$60.00</b>	
01 Costos de registro y otros impuestos por registro del título de Inmueble: Hipoteca: \$60.00		\$60.00	
02 Impuesto a las transferencias estatales			
<b>F. Pagos anticipados</b>		<b>\$2,125.12</b>	
01 Impuestos sobre la propiedad (6 meses) para Any County USA		\$631.80	
02 Pago anticipado de intereses \$17.71 por día del 4/15/2013 al 5/1/2013		\$283.36	
03 Prima del seguro de hipoteca ( 0 meses)			
04 Prima del seguro de la vivienda (12 meses) para Insurance Co.		\$1,209.96	
05			
<b>G. Pago inicial de la cuenta en depósito para impuestos y seguros de la vivienda</b>		<b>\$576.95</b>	
01 Impuestos sobre la propiedad de \$105.30 por mes, durante 2 meses		\$210.60	
02 Seguro de hipoteca de \$82.35 por mes, durante 2 meses		\$164.70	
03 Seguro de la vivienda de \$100.83 por mes, durante 2 meses		\$201.66	
04			
05			
06			
07 Ajuste acumulado			
<b>H. Otros costos</b>			
01			
02			
03			
04			
05			
06			
07			
08			
<b>I. TOTAL DE OTROS COSTOS (pagados por el deudor)</b>		<b>\$2,762.07</b>	
Subtotal de otros costos (E + F + G + H)		\$2,762.07	
<b>J. TOTAL DE COSTOS DE CIERRE (pagados por el deudor)</b>		<b>\$5,757.57</b>	
Subtotales de costos de cierre (D + I)		\$5,822.57	\$435.00
Créditos del prestamista		– \$500.00	

DECLARACIÓN DE CIERRE

PÁGINA 2 DE 6 • N.º DEL PRÉSTAMO 123456789

Round 5 – Closing Disclosure, Refinance, Cash Back, page 3

<b>Liquidaciones y pagos</b>		Utilice esta tabla para ver un resumen de sus liquidaciones y de sus pagos realizados a otros utilizando el monto del préstamo.
PARA		MONTO
01	Liquidará el préstamo existente de Rho Servicing	\$115,000.00
02		
03		
04		
05		
06		
07		
08		
09		
10		
11		
12		
13		
14		
15		
<b>K. TOTAL DE LIQUIDACIONES Y PAGOS</b>		\$115,000.00

**Cálculo del dinero en efectivo para el cierre**

Utilice esta tabla para saber lo que ha cambiado en su Estimación de préstamo.

	Estimación	Final	¿Esto cambió?
Monto del préstamo	\$150,000.00	\$150,000.00	NO
Total de costos de cierre (J)	– \$5,099.00	– \$5,757.57	SÍ • Consulte <b>Costos totales del préstamo (D)</b> y <b>Total de otros costos (I)</b>
Costos de cierre pagados antes del cierre	\$0	\$435.00	SÍ • Pagó estos costos de cierre <b>antes del cierre</b>
Total de liquidaciones y pagos (K)	– \$120,000	– \$115,000	SÍ • Consulte <b>Liquidaciones y pagos (K)</b>
<b>Dinero en efectivo para el cierre</b>	\$24,901.00 <input type="checkbox"/> De <input checked="" type="checkbox"/> Para Deudor	\$29,677.43 <input type="checkbox"/> De <input checked="" type="checkbox"/> Para Deudor	
Costos de cierre financiados (incluidos en el monto del préstamo)	\$5,099.00	\$5,322.57	

## Información adicional sobre este préstamo

### Declaraciones del préstamo

#### Amortización negativa (aumento del monto del préstamo)

De acuerdo con los términos de su préstamo, usted

- debe realizar pagos mensuales programados que no incluyen todos los intereses adeudados para ese mes. Como consecuencia, el monto de su préstamo aumentará (amortización negativa) y posiblemente, será más alto que el monto original del préstamo. Los aumentos del monto de su préstamo disminuyen su participación en el patrimonio que usted tiene en esta Inmueble.
- puede tener pagos mensuales que no incluyan todos los intereses adeudados para ese mes. Si los tiene, el monto de su préstamo aumentará (amortización negativa) y, como consecuencia, puede ser más alto que el monto original del préstamo. Los aumentos del monto de su préstamo disminuyen su participación en el patrimonio de esta Inmueble.
- no incluye una característica de amortización negativa.

#### Característica de demanda

Su préstamo

- incluye una característica de demanda, que le permite a su prestamista exigir el pago anticipado del préstamo. Debe revisar su pagaré para obtener detalles.
- no incluye una característica de demanda.

#### Cuenta en depósito para impuestos y seguros de la vivienda

**Por ahora**, su préstamo

- tendrá una cuenta en depósito para impuestos y seguros de la vivienda (también llamada cuenta de "depósito en garantía" o cuenta de "fideicomiso") para pagar los costos de la propiedad que se detallan a continuación. Sin una cuenta en depósito para impuestos y seguros de la vivienda, usted pagaría estos costos directamente, tal vez en un pago grande o en dos pagos al año. Es posible que su prestamista sea responsable de las sanciones y los intereses que resulten de la falta de pago.

#### Con cuenta en depósito para impuestos y seguros de la vivienda

Costos de la propiedad con una cuenta en depósito durante el primer año	\$2,473.56	Monto total estimado durante el primer año para sus costos de la propiedad con depósito: <i>Seguro de la vivienda</i> <i>Impuestos sobre la propiedad</i> <i>Seguro por ventarrón</i>
Costos de la propiedad sin depósito durante el primer año	\$1,800.00	Monto total estimado durante el primer año para sus costos de la propiedad sin depósito: <i>Obligaciones de la Asociación de Propietarios</i> Es posible que tenga que pagar otros costos de la propiedad.
Pago inicial	\$576.95	Respaldo para la cuenta en depósito que usted paga al cierre. Consulte la Sección G en la página 2.
Pago mensual	\$206.13	El monto incluido en su pago mensual total

- no tendrá una cuenta de depósito porque  usted la rechazó  y su prestamista no la exige o no la ofrece. Usted debe pagar directamente los costos de la propiedad, como impuestos y el seguro de la vivienda. Comuníquese con su prestamista para preguntarle si su préstamo puede contar con una cuenta de depósito para impuestos y seguro de la vivienda.

#### Sin cuenta en depósito para impuestos y seguros de la vivienda

Costos de la propiedad estimados durante el primer año		Monto total estimado durante el primer año. Usted debe pagar estos costos directamente, posiblemente en un pago grande o en dos pagos al año.
Comisión por renuncia a la cuenta en depósito		

#### En el futuro,

Es posible que los costos de la propiedad cambien y como consecuencia, su pago a la cuenta en depósito para impuestos y seguros de la vivienda podrá variar. Puede cancelar su cuenta en depósito, pero si lo hace, debe pagar sus costos de la propiedad directamente. Si no paga los Impuestos sobre la propiedad, el estado o gobierno local pueden 1) imponer multas o sanciones o 2) imponer un embargo fiscal a esta propiedad. Si no paga ninguno de estos costos de la propiedad, su prestamista puede 1) agregar los montos al saldo de su préstamo, 2) agregar una cuenta en depósito a su préstamo o 3) exigirle que pague un seguro para la propiedad, que el prestamista adquiere en su nombre, y que tal vez tendrá un costo más alto y le brindará menos beneficios que el que podría adquirir por su cuenta.

## Round 5 – Closing Disclosure, Refinance, Cash Back, page 5

### Declaraciones del préstamo

#### Intereses de garantía

Se le otorga un interés de garantía en  
456 Somewhere Ave., Anytown, FL 12345

Usted puede perder esta propiedad si no cumple con sus pagos o con el resto de las obligaciones de este préstamo.

#### Pago atrasado

Si su pago presenta un retraso de más de 15 días, le cobraremos un recargo del 5 % sobre el monto total de los intereses y el capital que paga mensualmente.

#### Pagos parciales

El prestamista

- puede aceptar pagos menores al monto total adeudado (pagos parciales) y aplicarlos al préstamo.
- puede guardarlo en una cuenta por separado hasta que usted pague el monto restante y luego aplicar el monto total al préstamo.
- no acepta ningún pago parcial.

Si este préstamo se vende, es posible que su nuevo prestamista tenga una política diferente.

#### Supuestos

- Si usted vende o transfiere esta propiedad a otra persona su prestamista,
- su prestamista permitirá, en determinadas condiciones, que esta persona asuma este préstamo con sus términos y condiciones originales.
- no permitirá la transferencia de este préstamo con sus términos y condiciones originales.

### Cálculos del préstamo

<b>Pagos totales.</b> Total que habrá pagado después de haber hecho todos los pagos de capital, intereses, seguro hipotecario y costos del préstamo, según lo programado.	\$273,214.50
<b>Cargo financiero.</b> El monto en dólares que le costará el préstamo.	\$121,029.00
<b>Monto financiado.</b> El monto en dólares disponible después de que pague el cargo financiero inicial.	\$148,241.94
<b>Tasa porcentual anual (APR).</b> Sus costos durante el plazo del préstamo, expresados como una tasa. Esta no es su tasa de interés.	4.543%
<b>Total de intereses pagados (TIP).</b> El monto total de los intereses que pagará durante el plazo del préstamo, como porcentaje del monto total del préstamo.	77.29%

### Otras declaraciones

#### Deducciones tributarias

Si adquiere una deuda mayor al valor de este Inmueble, los intereses del monto del préstamo que sean superiores al valor real de mercado no se deducirán de sus impuestos federales sobre la renta. Debería consultar con un asesor impositivo para obtener más información.

#### Detalles del contrato

Consulte su pagaré y su instrumento de garantía para obtener información sobre lo siguiente:

- ¿Qué sucede si no hace sus pagos?
- ¿Qué es un incumplimiento de pago del préstamo?
- Situaciones en que su prestamista puede exigirle que pague el préstamo por anticipado.
- Las reglas para realizar pagos antes de la fecha estipulada.

#### Refinanciamiento

El refinanciamiento de este préstamo dependerá de su situación financiera futura, del valor de propiedad y de las condiciones del mercado. Es posible que no se le pueda refinar este préstamo.

#### Responsabilidad luego de la ejecución de la hipoteca

- Si su prestamista ejecuta la hipoteca sobre este inmueble y dicha ejecución no cubre el monto de saldo pendiente de este préstamo:
- la ley estatal puede protegerlo de la responsabilidad de pagar el saldo pendiente. Si vuelve a financiar o adquiere otra deuda sobre este inmueble, puede perder esta protección y tendrá que pagar la deuda restante después de la ejecución de la hipoteca. Le recomendamos que consulte con un abogado para obtener más información.
- la ley estatal no lo protege contra la responsabilidad de pagar el saldo pendiente.

#### Valoración de la vivienda

Si la propiedad tuvo una valoración para su préstamo, su prestamista debe proporcionarle una copia sin costo adicional, al menos tres días antes del cierre. Si aún no la ha recibido, comuníquese con su prestamista utilizando la información que se le brinda en la página 6.



**¿Tiene preguntas?** Si tiene preguntas sobre los términos y costos del préstamo que se establecen en este formulario, comuníquese con su prestamista. Para obtener más información o para presentar un reclamo, comuníquese con la Oficina de Protección Financiera del Consumidor en [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore).



Round 5 – Closing Disclosure, Refinance, Cash Back, page 6

<b>Información de contacto</b>			
	<b>Prestamista</b>	<b>Corredor hipotecario</b>	<b>Agente a cargo de la operación</b>
<b>Nombre</b>	Ficus Bank		Zeta Title
<b>Dirección</b>	4321 Random Blvd. Somecity, ST 12340		321 Uptown Dr. Anytown, ST 12345
<b>N.º de NMLS</b>			P76821
<b>N.º de licencia estatal</b>			
<b>Contacto</b>	Joe S.		Joan T.
<b>ID. de contacto de NMLS</b>	12345		PT1234
<b>ID. de contacto de licencia estatal</b>	56789		
<b>Correo electrónico</b>	joesmith@ficusbank.com		joan@zt.biz
<b>Teléfono</b>	123-456-7890		555-321-9876

<b>Confirmación de recepción</b>			
<p>Al firmar, usted solo confirma que ha recibido este formulario. No es necesario que acepte este préstamo por el hecho de haber firmado o recibido este formulario.</p>			
<p>_____ Firma del solicitante</p>		<p>_____ Firma del cosolicitante</p>	
<p>_____ Fecha</p>		<p>_____ Fecha</p>	

DECLARACIÓN DE CIERRE PÁGINA 6 DE 6 • N.º DEL PRÉSTAMO 123456789

Round 5 – Loan Estimate, Refinance, Cash Back, page 1

**FIR BANK**

4321 Random Boulevard • Somecity, FL 12340

Guarde esta estimación de préstamo para compararla con su declaración de cierre.

**Estimación de préstamo**

**FECHA DE EMISIÓN** 2/15/2013  
**SOLICITANTES** John A. and Mary B.  
 123 Anywhere Street  
 Anytown, FL 12345  
**INMUEBLE** 456 Somewhere Avenue  
 Anytown, FL 12345  
**VALOR ESTIMADO DE LA PROPIEDAD** \$180,000

**PLAZO DEL PRÉSTAMO** 30 años  
**FINALIDAD** Refinanciamiento  
**PRODUCTO** Tasa fija  
**TIPO DE PRÉSTAMO**  Convencional  FHA  VA  \_\_\_\_\_  
**N.º DEL PRÉSTAMO** 123456789  
**BLOQUEO DE TASA**  NO  SÍ, hasta el 4/16/2013 a las 5:00 p. m. EDT

Antes del cierre, la tasa de interés, los puntos y los créditos del prestamista podrían cambiar, a menos que usted bloquee la tasa de interés. Todos los demás costos de cierre estimados estarán vigentes hasta el 3/22/2013 a las 5:00 p. m. EDT

**Términos del préstamo**

**¿Puede aumentar este monto después del cierre?**

<b>Monto del préstamo</b>	\$150,000	<b>NO</b>
<b>Tasa de interés</b>	4.125%	<b>NO</b>
<b>Pago mensual de intereses y capital</b> <i>Consulte la sección de pagos proyectados para saber el pago total mensual estimado</i>	\$726.97	<b>NO</b>
		<b>¿Tiene el préstamo estas características?</b>
<b>Multa por pago anticipado</b>		<b>NO</b>
<b>Cuota extraordinaria</b>		<b>NO</b>

**Pagos proyectados**

Cálculo de los pagos	Años 1 a 4	Años 5 a 30
Capital e intereses	\$726.97	\$726.97
Seguro hipotecario	+ 82	+ —
Depósito estimado para impuestos y seguros de la vivienda <i>El monto puede aumentar con el paso del tiempo</i>	+ 206	+ 206
<b>Pago total mensual estimado</b>	<b>\$1,015</b>	<b>\$933</b>

<b>Impuestos, seguro y evaluaciones estimados</b> <i>El monto puede aumentar con el paso del tiempo</i>	\$206 por mes	<b>Esta estimación incluye</b>	<b>¿En depósito?</b>
		<input checked="" type="checkbox"/> Impuestos sobre la propiedad <input checked="" type="checkbox"/> Seguro de la vivienda <input type="checkbox"/> Otro:	<b>SÍ</b> <b>SÍ</b>

*Consulte la Sección G en la página 2 para informarse sobre el dinero depositado en una cuenta de depósito para impuestos y seguros. Deberá pagar por separado los demás costos.*

**Dinero en efectivo para el cierre**

<b>Dinero en efectivo estimado para el cierre</b> <input type="checkbox"/> De <input checked="" type="checkbox"/> Para Deudor	\$24,309	Incluye \$5,691 por costos de cierre (\$3,641 por costos del préstamo + \$2,050 por otros costos – \$0 por créditos del prestamista). Consulte los detalles en la página 2.
--	----------	---

Visite [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore) para información general y ayuda.

Round 5 – Loan Estimate, Refinance, Cash Back, page 2

**Detalles de los costos del cierre**

**Costos del préstamo**

<b>A. Gastos por tramitación</b>	<b>\$2,250</b>
1 % del monto del préstamo (Puntos)	\$1,500
Cargo por la solicitud del préstamo	\$750

<b>B. Servicios que usted no puede contratar</b>	<b>\$630</b>
Cargo por control de zonas de inundación	\$50
Cargo por determinación de zonas de inundación	\$25
Cargo por fiscalización tributaria	\$65
Cargo por informe de crédito	\$35
Cargos por investigación sobre situación tributaria	\$45
Cargo por valoración de vivienda	\$410

<b>C. Servicios que usted puede contratar</b>	<b>\$761</b>
Cargo por inspección de plagas	\$75
Estudio de títulos de propiedad	\$250
Honorarios del agente a cargo de la operación de cierre	\$150
Póliza del título de propiedad del prestamista	\$251
Título: garantía provisional de seguro del título de propiedad	\$35

<b>D. COSTOS TOTALES DEL PRÉSTAMO (A + B + C)</b>	<b>\$3,641</b>
---	----------------

**Otros costos**

<b>E. Impuestos y otros cargos gubernamentales</b>	<b>\$60</b>
Costos de registro y otros impuestos	\$60
Impuestos por transferencia de título	

<b>F. Pagos anticipados</b>	<b>\$1,577</b>
Impuestos sobre la propiedad (6 meses)	\$632
Pago anticipado de intereses	
(\$17.19 diarios durante 15 días a la tasa de 4.125 %)	\$258
Prima del seguro de hipoteca (1 meses)	\$82
Prima del seguro de la vivienda (6 meses)	\$605

<b>G. Pago inicial de la cuenta en depósito para impuestos y seguros de la vivienda al cierre</b>	<b>\$413</b>
Impuestos sobre la propiedad	
de \$105.30 por mes durante 2 meses	\$211
Seguro de hipoteca por mes durante 2 meses	
Seguro de la vivienda de \$100.83 por mes durante 2 meses	\$202

<b>H. Otros</b>	<b>\$0</b>
-----------------	------------

<b>I. TOTAL DE OTROS COSTOS (E + F + G + H)</b>	<b>\$2,050</b>
---	----------------

<b>J. TOTAL DE COSTOS DE CIERRE</b>	<b>\$5,691</b>
D + I	\$5,691
Créditos del prestamista	

**Cálculo del dinero en efectivo para el cierre**

Monto del préstamo	\$150,000
Total de costos de cierre (J)	– \$5,691
Liquidaciones y pagos totales estimados	– \$120,000

<b>Dinero en efectivo estimado para el cierre</b>	<b>\$24,309</b>
---	-----------------

De  Para Deudor

Costos de cierre financiados estimados (incluidos en el monto del préstamo)	\$5,691
---	---------

## Round 5 – Loan Estimate, Refinance, Cash Back, page 3

### Información adicional sobre este préstamo

**PRESTAMISTA** Fir Bank  
**N.º DE NMLS/LICENCIA**  
**AGENTE DE PRÉSTAMO** Joe Smith  
**N.º DE NMLS/LICENCIA** 12345  
**CORREO ELECTRÓNICO** joesmith@firbank.com  
**TELÉFONO** 123-456-7890

**CORREDOR HIPOTECARIO**  
**N.º DE NMLS/LICENCIA**  
**AGENTE DE PRÉSTAMO**  
**N.º DE NMLS/LICENCIA**  
**CORREO ELECTRÓNICO**  
**TELÉFONO**

Comparaciones		Utilice estas medidas para comparar este préstamo con otros.
En 5 años	\$51,305	total que habrá pagado en capital, intereses, seguro hipotecario y costos del préstamo.
	\$0	capital principal que habrá amortizado.
Tasa porcentual anual (APR)	4.423%	sus costos durante el plazo del préstamo expresados como una tasa. Esta no es su tasa de interés.
Total de intereses pagados a lo largo del plazo del préstamo (TIP)	74.65%	el monto total de intereses que pagará durante el plazo del préstamo como porcentaje del monto del préstamo.

### Otras consideraciones

<b>Aceptación del préstamo</b>	No es necesario que acepte este préstamo por el hecho de haber firmado o recibido este formulario.
<b>Administración del préstamo</b>	Nuestra intención es <input type="checkbox"/> brindarle servicios de administración de su préstamo. De ser así, usted emitirá los pagos a nuestro nombre. <input checked="" type="checkbox"/> transferir los servicios de administración de su préstamo.
<b>Pago atrasado</b>	Si su pago presenta un retraso de más de 15 días, le cobraremos un recargo del 5 % sobre el monto total de los intereses y el capital que paga mensualmente.
<b>Refinanciamiento</b>	El refinanciamiento de este préstamo dependerá de su situación financiera futura, del valor de la propiedad y de las condiciones del mercado. Es posible que no se le pueda refinar este préstamo.
<b>Responsabilidad luego de la ejecución de la hipoteca</b>	Si usted acepta este préstamo, podría perder la protección de la ley estatal que quizás tenga en este momento en contra de la responsabilidad de pagar la deuda pendiente si su prestamista ejecuta la hipoteca sobre su casa. Si pierde esta protección, puede que tenga que pagar la deuda restante incluso después de la ejecución de la hipoteca. Le recomendamos que consulte con un abogado para obtener más información.
<b>Seguro de la vivienda</b>	Este préstamo exige un seguro de la vivienda, que puede obtenerse de una empresa que usted seleccione y que nosotros consideremos aceptable.
<b>Supuestos</b>	Si usted vende o transfiere esta propiedad a otra persona, <input type="checkbox"/> permitiremos, en determinadas condiciones, que esta persona asuma este préstamo con sus términos y condiciones originales. <input checked="" type="checkbox"/> no permitiremos que esta persona asuma este préstamo con sus términos y condiciones originales.
<b>Valoración de la vivienda</b>	Es posible que pidamos una valoración de la vivienda para determinar el valor de la propiedad y que le cobremos por esta valoración de la vivienda. Inmediatamente, le daremos una copia de la valoración aunque su préstamo no se cierre. Puede pagar para que se haga otra valoración de la vivienda más para su uso personal y esta correrá por su cuenta.

Round 5 – Closing Disclosure, Refinance, Cash Back, page 1

## Declaración de cierre

Este formulario es una declaración sobre los términos y condiciones finales del préstamo y los costos de cierre. Compare este documento con su Estimación de préstamo.

### Información sobre el cierre

**Fecha de emisión** 4/15/2013  
**Fecha de cierre** 4/15/2013  
**Fecha de desembolso** 4/15/2012  
**Agente a cargo de la operación de cierre** Zeta Title  
**Archivo N.º** 12-3456  
**Inmueble** 123 Anywhere Street  
 Anytown, ST 12345  
**Valoración de la vivienda** \$180,000

### Información sobre la transacción

**Deudor** John A. and Mary B.  
 123 Anywhere Street  
 Anytown, ST 12345  
**Prestamista** Fir Bank

### Información sobre el préstamo

**Plazo del préstamo** 30 años  
**Finalidad** Refinanciamiento  
**Producto** Tasa fija  
**Tipo de préstamo**  Convencional  FHA  
 VA  \_\_\_\_\_  
**N.º del préstamo** 123456789  
**N.º de MIC** 009874513

### Términos del préstamo

### ¿Puede aumentar este monto después del cierre?

<b>Monto del préstamo</b>	\$150,000	<b>NO</b>
<b>Tasa de interés</b>	4.125%	<b>NO</b>
<b>Pago mensual de intereses y capital</b> <i>Consulte la sección de pagos proyectados para saber el pago total mensual estimado</i>	\$726.97	<b>NO</b>
<b>¿Tiene el préstamo estas características?</b>		
<b>Multa por pago anticipado</b>		<b>NO</b>
<b>Cuota extraordinaria</b>		<b>NO</b>

### Pagos proyectados

Cálculo de los pagos	Años 1 a 4	Años 5 a 30
Capital e intereses	\$726.97	\$726.97
Seguro hipotecario	+ 82.35	+ —
Depósito estimado para impuestos y seguros de la vivienda <i>El monto puede aumentar con el paso del tiempo</i>	+ 206.13	+ 206.13
<b>Pago total mensual estimado</b>	<b>\$1,015.45</b>	<b>\$933.10</b>
<b>Impuestos, seguro y evaluaciones estimados</b> <i>El monto puede aumentar con el paso del tiempo. Consulte los detalles en la página 4.</i>	<b>\$206.13</b> por mes	<b>Esta estimación incluye</b> <input checked="" type="checkbox"/> Impuestos sobre la propiedad <input checked="" type="checkbox"/> Seguro de la vivienda <input type="checkbox"/> Otro: _____
		<b>¿En depósito?</b> <b>SÍ</b> <b>SÍ</b>
	<i>Consulte la página 4 para informarse sobre el dinero depositado en una cuenta de depósito para impuestos y seguros. Deberá pagar por separado los demás costos.</i>	

### Dinero en efectivo para el cierre

<b>Dinero en efectivo para el cierre</b> <input checked="" type="checkbox"/> De <input type="checkbox"/> Para Deudor	\$6,716.60	Incluye \$6,156.60 por costos de cierre (\$3,800.50 por costos del préstamo + \$2,856.10 por otros costos - \$500 por créditos del prestamista). Consulte los detalles en la página 2.
---	------------	--

## Round 5 – Closing Disclosure, Refinance, Cash Back, page 2

<b>Detalles de los costos de cierre</b>				
<b>Costos del préstamo</b>		<b>Pagos por el deudor</b>		<b>Pagos por otros</b>
		Al cierre	Antes del cierre	
<b>A. Gastos por tramitación</b>		<b>\$2,250.00</b>		
01	1 % del monto del préstamo (Puntos)	\$1,500.00		
02	Cargo por la solicitud del préstamo	\$750.00		
03				
04				
05				
06				
07				
08				
<b>B. Servicios que el deudor no puede contratar</b>		<b>\$620.00</b>		
01	Cargo por control de zonas de inundación para Info Co.	\$45.00		
02	Cargo por determinación de zonas de inundación para Info Co.	\$25.00		
03	Cargo por fiscalización tributaria para Info Co.	\$65.00		
04	Cargo por informe de crédito para Information Inc.		\$35.00	
05	Cargo por investigación sobre situación tributaria para Info Co.	\$45.00		
06	Cargo por valoración de la vivienda para John Smith Appraisers Inc.		\$405.00	
07				
08				
09				
<b>C. Servicios que el deudor puede contratar</b>		<b>\$930.50</b>		
01	Cargo por inspección de plagas para Pests Co.	\$80.00		
02	Título – Estudio de títulos de propiedad para Epsilon Title Co.	\$200.00		
03	Título – Garantía provisional de seguro del título de propiedad para Epsilon Title Co.	\$50.00		
04	Título – Honorarios del agente a cargo de la operación del título de Inmueble para Epsilon Title Co.	\$350.00		
05	Título – Póliza del prestamista para Epsilon Title Co.	\$250.50		
06				
<b>D. COSTOS TOTALES DEL PRÉSTAMO (Pagados por el deudor)</b>		<b>\$3,800.50</b>		
Subtotales de los costos del préstamo (A + B + C)		\$3,360.50	\$440.00	
<b>Otros costos</b>				
<b>E. Impuestos y otros cargos gubernamentales</b>		<b>\$80.00</b>		
01	Costos de registro y otros impuestos por registro del título de Inmueble: Hipoteca: \$80.00	\$80.00		
02	Impuesto a las transferencias estatales			
<b>F. Pagos anticipados</b>		<b>\$2,199.15</b>		
01	Impuestos sobre la propiedad ( 6 meses) para Any County USA	\$631.80		
02	Pago anticipado de intereses \$17.19 por día del 4/15/2013 al 5/1/2013	\$275.04		
03	Prima del seguro de hipoteca ( 1 meses) para MI Co.	\$82.35		
04	Prima del seguro de la vivienda ( 12 meses) para Insurance Co.	\$1,209.96		
05				
<b>G. Pago inicial de la cuenta en depósito para impuestos y seguros de la vivienda</b>		<b>\$576.95</b>		
01	Impuestos sobre la propiedad de \$105.30 por mes, durante 2 meses	\$210.60		
02	Seguro de hipoteca de \$82.35 por mes, durante 2 meses	\$164.70		
03	Seguro de la vivienda de \$100.83 por mes, durante 2 meses	\$201.66		
04				
05				
06				
07	Ajuste acumulado	– \$0.01		
<b>H. Otros costos</b>				
01				
02				
03				
04				
05				
06				
07				
08				
<b>I. TOTAL DE OTROS COSTOS (pagados por el deudor)</b>		<b>\$2,856.10</b>		
Subtotal de otros costos (E + F + G + H)		\$2,856.10		
<b>J. TOTAL DE COSTOS DE CIERRE (pagados por el deudor)</b>				
Subtotales de costos de cierre (D + I)		\$6,216.60	\$440.00	
Créditos del prestamista		– \$500.00		

Round 5 – Closing Disclosure, Refinance, Cash Back, page 3

<b>Liquidaciones y pagos</b>		<b>Utilice esta tabla para ver un resumen de sus liquidaciones y de sus pagos realizados a otros utilizando el monto del préstamo.</b>	
<b>PARA</b>		<b>MONTO</b>	
01	Liquidará el préstamo existente de Rho Servicing	\$124,000.00	
02	Pagará el saldo total de la tarjeta de crédito de Beta Card Inc.	\$5,000.00	
03	Liquidará el embargo preventivo del mecánico de Bob's Home Improvement	\$12,000.00	
04	Liquidará el embargo preventivo de impuestos de State of Anywhere	\$10,000.00	
05			
06			
07			
08			
09			
10			
11			
12			
13			
14			
15			
<b>K. TOTAL DE LIQUIDACIONES Y PAGOS</b>		\$151,000.00	

<b>Cálculo del dinero en efectivo para el cierre</b>		<b>Utilice esta tabla para saber lo que ha cambiado en su Estimación de préstamo.</b>	
	<b>Estimación</b>	<b>Final</b>	<b>¿Esto cambió?</b>
Monto del préstamo	\$150,000.00	\$150,000.00	<b>NO</b>
Total de costos de cierre (J)	– \$5,691.00	– \$6,156.60	<b>SÍ</b> • Consulte <b>Costos totales del préstamo (D)</b> y <b>Total de otros costos (I)</b>
Costos de cierre pagados antes del cierre	\$0	\$440.00	<b>SÍ</b> • Pagó estos costos de cierre <b>antes del cierre</b>
Total de liquidaciones y pagos (K)	– \$120,000	– \$151,000	<b>SÍ</b> • Consulte <b>Liquidaciones y pagos (K)</b>
<b>Dinero en efectivo para el cierre</b>	\$24,309.00	\$6,716.60	
	<input type="checkbox"/> De <input checked="" type="checkbox"/> Para Deudor	<input checked="" type="checkbox"/> De <input type="checkbox"/> Para Deudor	
Costos de cierre financiados (incluidos en el monto del préstamo)	\$5,691.00	\$0	

DECLARACIÓN DE CIERRE
PÁGINA 3 DE 6 • N.º DEL PRÉSTAMO 123456789

## Información adicional sobre este préstamo

### Declaraciones del préstamo

#### Amortización negativa (aumento del monto del préstamo)

De acuerdo con los términos de su préstamo, usted

- debe realizar pagos mensuales programados que no incluyen todos los intereses adeudados para ese mes. Como consecuencia, el monto de su préstamo aumentará (amortización negativa) y posiblemente, será más alto que el monto original del préstamo. Los aumentos del monto de su préstamo disminuyen su participación en el patrimonio que usted tiene en esta Inmueble.
- puede tener pagos mensuales que no incluyan todos los intereses adeudados para ese mes. Si los tiene, el monto de su préstamo aumentará (amortización negativa) y, como consecuencia, puede ser más alto que el monto original del préstamo. Los aumentos del monto de su préstamo disminuyen su participación en el patrimonio de esta Inmueble.
- no incluye una característica de amortización negativa.

#### Característica de demanda

Su préstamo

- incluye una característica de demanda, que le permite a su prestamista exigir el pago anticipado del préstamo. Debe revisar su pagaré para obtener detalles.
- no incluye una característica de demanda.

#### Cuenta en depósito para impuestos y seguros de la vivienda *Por ahora*, su préstamo

- tendrá una cuenta en depósito para impuestos y seguros de la vivienda (también llamada cuenta de “depósito en garantía” o cuenta de “fideicomiso”) para pagar los costos de la propiedad que se detallan a continuación. Sin una cuenta en depósito para impuestos y seguros de la vivienda, usted pagaría estos costos directamente, tal vez en un pago grande o en dos pagos al año. Es posible que su prestamista sea responsable de las sanciones y los intereses que resulten de la falta de pago.

#### Con cuenta en depósito para impuestos y seguros de la vivienda

Costos de la propiedad con una cuenta en depósito durante el primer año	\$2,473.56	Monto total estimado durante el primer año para sus costos de la propiedad con depósito: <i>Seguro de la vivienda</i> <i>Impuestos sobre la propiedad</i> <i>Seguro por ventarrón</i>
Costos de la propiedad sin depósito durante el primer año		Monto total estimado durante el primer año para sus costos de la propiedad sin depósito:  Es posible que tenga que pagar otros costos de la propiedad.
Pago inicial	\$576.95	Respaldo para la cuenta en depósito que usted paga al cierre. Consulte la Sección G en la página 2.
Pago mensual	\$206.13	El monto incluido en su pago mensual total

- no tendrá una cuenta de depósito porque  usted la rechazó  y su prestamista no la exige o no la ofrece. Usted debe pagar directamente los costos de la propiedad, como impuestos y el seguro de la vivienda. Comuníquese con su prestamista para preguntarle si su préstamo puede contar con una cuenta de depósito para impuestos y seguro de la vivienda.

#### Sin cuenta en depósito para impuestos y seguros de la vivienda

Costos de la propiedad estimados durante el primer año		Monto total estimado durante el primer año. Usted debe pagar estos costos directamente, posiblemente en un pago grande o en dos pagos al año.
Comisión por renuncia a la cuenta en depósito		

#### En el futuro,

Es posible que los costos de la propiedad cambien y como consecuencia, su pago a la cuenta en depósito para impuestos y seguros de la vivienda podrá variar. Puede cancelar su cuenta en depósito, pero si lo hace, debe pagar sus costos de la propiedad directamente. Si no paga los Impuestos sobre la propiedad, el estado o gobierno local pueden 1) imponer multas o sanciones o 2) imponer un embargo fiscal a esta propiedad. Si no paga ninguno de estos costos de la propiedad, su prestamista puede 1) agregar los montos al saldo de su préstamo, 2) agregar una cuenta en depósito a su préstamo o 3) exigirle que pague un seguro para la propiedad, que el prestamista adquiere en su nombre, y que tal vez tendrá un costo más alto y le brindará menos beneficios que el que podría adquirir por su cuenta.



## Round 5 – Closing Disclosure, Refinance, Cash Back, page 5

### Declaraciones del préstamo

#### Intereses de garantía

Se le otorga un interés de garantía en  
456 Somewhere Ave., Anytown, FL 12345

Usted puede perder esta propiedad si no cumple con sus pagos o con el resto de las obligaciones de este préstamo.

#### Pago atrasado

Si su pago presenta un retraso de más de 15 días, le cobraremos un recargo del 5 % sobre el monto total de los intereses y el capital que paga mensualmente.

#### Pagos parciales

El prestamista

- puede aceptar pagos menores al monto total adeudado (pagos parciales) y aplicarlos al préstamo.
- puede guardarlo en una cuenta por separado hasta que usted pague el monto restante y luego aplicar el monto total al préstamo.
- no acepta ningún pago parcial.

Si este préstamo se vende, es posible que su nuevo prestamista tenga una política diferente.

#### Supuestos

Si usted vende o transfiere esta propiedad a otra persona su prestamista,

- su prestamista permitirá, en determinadas condiciones, que esta persona asuma este préstamo con sus términos y condiciones originales.
- no permitirá la transferencia de este préstamo con sus términos y condiciones originales.

### Cálculos del préstamo

<b>Pagos totales.</b> Total que habrá pagado después de haber hecho todos los pagos de capital, intereses, seguro hipotecario y costos del préstamo, según lo programado.	\$269,574.50
<b>Cargo financiero.</b> El monto en dólares que le costará el préstamo.	\$116,884.00
<b>Monto financiado.</b> El monto en dólares disponible después de que pague el cargo financiero inicial.	\$148,367.91
<b>Tasa porcentual anual (APR).</b> Sus costos durante el plazo del préstamo, expresados como una tasa. Esta no es su tasa de interés.	4.404%
<b>Total de intereses pagados (TIP).</b> El monto total de los intereses que pagará durante el plazo del préstamo, como porcentaje del monto total del préstamo.	74.66%

### Otras declaraciones

#### Deducciones tributarias

Si adquiere una deuda mayor al valor de este Inmueble, los intereses del monto del préstamo que sean superiores al valor real de mercado no se deducirán de sus impuestos federales sobre la renta. Debería consultar con un asesor impositivo para obtener más información.

#### Detalles del contrato

Consulte su pagaré y su instrumento de garantía para obtener información sobre lo siguiente:

- ¿Qué sucede si no hace sus pagos?
- ¿Qué es un incumplimiento de pago del préstamo?
- Situaciones en que su prestamista puede exigirle que pague el préstamo por anticipado.
- Las reglas para realizar pagos antes de la fecha estipulada.

#### Refinanciamiento

El refinanciamiento de este préstamo dependerá de su situación financiera futura, del valor de propiedad y de las condiciones del mercado. Es posible que no se le pueda refinanciar este préstamo.

#### Responsabilidad luego de la ejecución de la hipoteca

Si su prestamista ejecuta la hipoteca sobre este inmueble y dicha ejecución no cubre el monto de saldo pendiente de este préstamo:

- la ley estatal puede protegerlo de la responsabilidad de pagar el saldo pendiente. Si vuelve a financiar o adquiere otra deuda sobre este inmueble, puede perder esta protección y tendrá que pagar la deuda restante después de la ejecución de la hipoteca. Le recomendamos que consulte con un abogado para obtener más información.
- la ley estatal no lo protege contra la responsabilidad de pagar el saldo pendiente.

#### Valoración de la vivienda

Si la propiedad tuvo una valoración para su préstamo, su prestamista debe proporcionarle una copia sin costo adicional, al menos tres días antes del cierre. Si aún no la ha recibido, comuníquese con su prestamista utilizando la información que se le brinda en la página 6.



**¿Tiene preguntas?** Si tiene preguntas sobre los términos y costos del préstamo que se establecen en este formulario, comuníquese con su prestamista. Para obtener más información o para presentar un reclamo, comuníquese con la Oficina de Protección Financiera del Consumidor en [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore).







# Appendix

## Round 6 – Refinance and Closing Cost English Disclosures

Round 6 – Loan Estimate, Refinance, Cash Back, page 1

**FICUS BANK**

4321 Random Boulevard • Somecity, ST 12340

Save this Loan Estimate to compare with your Closing Disclosure.

**Loan Estimate**

**DATE ISSUED** 2/15/2013  
**APPLICANTS** John A. and Mary B.  
 123 Anywhere Street  
 Anytown, ST 12345  
**PROPERTY** 123 Anywhere Street  
 Anytown, ST 12345  
**EST. PROP. VALUE** \$180,000

**LOAN TERM** 30 years  
**PURPOSE** Refinance  
**PRODUCT** Fixed Rate  
**LOAN TYPE**  Conventional  FHA  VA  \_\_\_\_\_  
**LOAN ID #** 123456789  
**RATE LOCK**  NO  YES, until 4/16/2013 at 5:00 p.m. EDT  
*Before closing, your interest rate, points, and lender credits can change unless you lock the interest rate. All other estimated closing costs expire on 3/22/2013 at 5:00 p.m. EDT*

Loan Terms		Can this amount increase after closing?
<b>Loan Amount</b>	\$150,000	<b>NO</b>
<b>Interest Rate</b>	4.25%	<b>NO</b>
<b>Monthly Principal &amp; Interest</b> <i>See Projected Payments below for your Estimated Total Monthly Payment</i>	\$737.91	<b>NO</b>
<b>Does the loan have these features?</b>		
<b>Prepayment Penalty</b>		<b>NO</b>
<b>Balloon Payment</b>		<b>NO</b>

Projected Payments		
Payment Calculation	Years 1-4	Years 5-30
Principal & Interest	\$737.91	\$737.91
Mortgage Insurance	+ 82	+ —
Estimated Escrow <i>Amount can increase over time</i>	+ 206	+ 206
<b>Estimated Total Monthly Payment</b>	<b>\$1,026</b>	<b>\$944</b>
<b>Estimated Taxes, Insurance &amp; Assessments</b> <i>Amount can increase over time</i>	\$206 a month	<b>This estimate includes</b> <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>
		<b>In escrow?</b> <b>YES</b> <b>YES</b>

Costs at Closing	
<b>Estimated Closing Costs</b>	\$5,099 Includes \$3,521 in Loan Costs + \$2,078 in Other Costs – \$500 in Lender Credits. See details on page 2.
<b>Estimated Cash to Close</b>	\$24,901 Includes Closing Costs. See details on page 2.
<input type="checkbox"/> From <input checked="" type="checkbox"/> To Borrower	

Visit [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore) for general information and tools.

Round 6 – Loan Estimate, Refinance, Cash Back, page 2

**Closing Cost Details**

**Loan Costs**

<b>A. Origination Charges</b>	<b>\$1,950</b>
.5 % of Loan Amount (Points)	\$750
Application Fee	\$250
Origination Fee	\$450
Underwriting Fee	\$500

<b>B. Services You Cannot Shop For</b>	<b>\$635</b>
Appraisal Fee	\$425
Credit Report Fee	\$30
Flood Determination Fee	\$25
Flood Monitoring Fee	\$45
Tax Monitoring Fee	\$65
Tax Status Research Fee	\$45

<b>C. Services You Can Shop For</b>	<b>\$936</b>
Pest Inspection Fee	\$85
Title – Insurance Binder	\$50
Title – Lender’s Title Policy	\$251
Title – Settlement Agent Fee	\$350
Title – Title Search	\$200

<b>D. TOTAL LOAN COSTS (A + B + C)</b>	<b>\$3,521</b>
--	----------------

**Other Costs**

<b>E. Taxes and Other Government Fees</b>	<b>\$80</b>
Recording Fees and Other Taxes	\$80
Transfer Taxes	

<b>F. Prepays</b>	<b>\$1,585</b>
Homeowner’s Insurance Premium ( <u>6</u> months)	\$605
Mortgage Insurance Premium ( <u>1</u> months)	\$82
Prepaid Interest ( \$17.71 per day for 15 days @ 4.25%)	\$266
Property Taxes ( <u>6</u> months)	\$632

<b>G. Initial Escrow Payment at Closing</b>	<b>\$413</b>
Homeowner’s Insurance \$100.83 per month for 2 mo.	\$202
Mortgage Insurance per month for mo	
Property Taxes \$105.30 per month for 2 mo.	\$211

<b>H. Other</b>	<b>\$0</b>
-----------------	------------

<b>I. TOTAL OTHER COSTS (E + F + G + H)</b>	<b>\$2,078</b>
---	----------------

<b>J. TOTAL CLOSING COSTS</b>	<b>\$5,099</b>
D + I	\$5,599
Lender Credits	– \$500

**Calculating Cash to Close**

Loan Amount	\$150,000
Total Closing Costs (J)	– \$5,099
Estimated Total Payoffs and Payments	– \$120,000

<b>Estimated Cash to Close</b> <input type="checkbox"/> From <input checked="" type="checkbox"/> To Borrower	\$24,901
--	----------

Estimated Closing Costs Financed (Included in Loan Amount)	\$5,099
---	---------

Round 6 – Loan Estimate, Refinance, Cash Back, page 3

**Additional Information About This Loan**

**LENDER** Ficus Bank  
**NMLS/LICENSE ID**  
**LOAN OFFICER** Joe Smith  
**NMLS/LICENSE ID** 12345  
**EMAIL** joesmith@ficusbank.com  
**PHONE** 123-456-7890

**MORTGAGE BROKER**  
**NMLS/LICENSE ID**  
**LOAN OFFICER**  
**NMLS/LICENSE ID**  
**EMAIL**  
**PHONE**

**Comparisons**

Use these measures to compare this loan with other loans.

<b>In 5 Years</b>	\$51,932 Total you will have paid in principal, interest, mortgage insurance, and loan costs. \$13,788 Principal you will have paid off.
<b>Annual Percentage Rate (APR)</b>	4.537% Your costs over the loan term expressed as a rate. This is not your interest rate.
<b>Total Interest Percentage (TIP)</b>	77.28% The total amount of interest that you will pay over the loan term as a percentage of your loan amount.

**Other Considerations**

- Appraisal** We may order an appraisal to determine the property's value and charge you for this appraisal. We will promptly give you a copy of any appraisal, even if your loan does not close. You can pay for an additional appraisal for your own use at your own cost.
- Assumption** If you sell or transfer this property to another person, we  
 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.
- Homeowner's Insurance** This loan requires homeowner's insurance on the property, which you may obtain from a company of your choice that we find acceptable.
- Late Payment** If your payment is more than 15 days late, we will charge a late fee of 5% of the monthly principal and interest payment.
- Loan Acceptance** You do not have to accept this loan because you have received this form or signed a loan application.
- Liability after Foreclosure** Taking this loan could end any state law protection you may currently have against liability for unpaid debt if your lender forecloses on your home. If you lose this protection, you may have to pay any debt remaining even after foreclosure. You may want to consult a lawyer for more information.
- 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.
- Servicing** We intend  
 to service your loan. If so, you will make your payments to us.  
 to transfer servicing of your loan.

Round 6 – Closing Disclosure, Refinance, Cash Back, page 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** Zeta Title  
**File #** 12-3456  
**Property** 123 Anywhere Street  
 Anytown, ST 12345  
**Appraised Prop. Value** \$180,000

**Transaction Information**

**Borrower** John A. and Mary B.  
 123 Anywhere Street  
 Anytown, ST 12345  
**Lender** Ficus Bank

**Loan Information**

**Loan Term** 30 years  
**Purpose** Refinance  
**Product** Fixed Rate  
**Loan Type**  Conventional  FHA  
 VA  \_\_\_\_\_  
**Loan ID #** 123456789  
**MIC #** 009874513

Loan Terms		Can this amount increase after closing?
<b>Loan Amount</b>	\$150,000	<b>NO</b>
<b>Interest Rate</b>	4.25%	<b>NO</b>
<b>Monthly Principal &amp; Interest</b> <i>See Projected Payments below for your Estimated Total Monthly Payment</i>	\$737.91	<b>NO</b>
<b>Does the loan have these features?</b>		
<b>Prepayment Penalty</b>		<b>NO</b>
<b>Balloon Payment</b>		<b>NO</b>

Projected Payments		
Payment Calculation	Years 1-4	Years 5-30
Principal & Interest	\$737.91	\$737.91
Mortgage Insurance	+ 82.35	+ —
Estimated Escrow <i>Amount can increase over time</i>	+ 206.13	+ 206.13
<b>Estimated Total Monthly Payment</b>	<b>\$1,026.39</b>	<b>\$944.04</b>
<b>Estimated Taxes, Insurance &amp; Assessments</b> <i>Amount can increase over time See details on page 4</i>	\$356.13 a month	<b>This estimate includes</b> <input checked="" type="checkbox"/> Property Taxes <input checked="" type="checkbox"/> Homeowner's Insurance <input checked="" type="checkbox"/> Other: HOA <i>See page 4 for escrowed property costs. You must pay for other property costs separately.</i>
		<b>In escrow?</b> <b>YES</b> <b>YES</b> <b>NO</b>

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



Round 6 – Closing Disclosure, Refinance, Cash Back, page 2

POST-PROPOSAL CONSUMER TESTING OF THE SPANISH AND REFINANCE INTEGRATED TILA-RESPA DISCLOSURES

**Closing Cost Details**

Loan Costs	Borrower-Paid		Paid by Others
	At Closing	Before Closing	
<b>A. Origination Charges</b>	<b>\$1,950.00</b>		
01 .5 % of Loan Amount (Points)	\$750.00		
02 Application Fee	\$250.00		
03 Origination Fee	\$450.00		
04 Underwriting Fee	\$500.00		
05			
06			
07			
08			
<b>B. Services Borrower Did Not Shop For</b>	<b>\$610.00</b>		
01 Appraisal Fee to John Smith Appraisers Inc.		\$405.00	
02 Credit Report Fee to Information Inc.		\$30.00	
03 Flood Determination Fee to Info Co.	\$20.00		
04 Flood Monitoring Fee to Info Co.	\$45.00		
05 Tax Monitoring Fee to Info Co.	\$65.00		
06 Tax Status Research Fee to Info Co.	\$45.00		
07			
08			
09			
10			
<b>C. Services Borrower Did Shop For</b>	<b>\$935.50</b>		
01 Pest Inspection Fee to Pests Co.	\$85.00		
02 Title – Insurance Binder to Epsilon Title Co.	\$50.00		
03 Title – Lender’s Title Policy to Epsilon Title Co.	\$250.50		
04 Title – Settlement Agent Fee to Epsilon Title Co.	\$350.00		
05 Title – Title Search to Epsilon Title Co.	\$200.00		
06			
07			
08			
<b>D. TOTAL LOAN COSTS (Borrower-Paid)</b>	<b>\$3,495.50</b>		
Loan Costs Subtotals (A + B + C)	\$3,060.50	\$435.00	
<b>Other Costs</b>			
<b>E. Taxes and Other Government Fees</b>	<b>\$60.00</b>		
01 Recording Fees Deed: Mortgage: \$60.00	\$60.00		
02 State Transfer Tax			
<b>F. Prepays</b>	<b>\$2,125.12</b>		
01 Homeowner’s Insurance Premium ( 12 mo.) to Insurance Co.	\$1,209.96		
02 Mortgage Insurance Premium ( mo.)			
03 Prepaid Interest \$17.71 per day from 4/15/2013 to 5/1/2013	\$283.36		
04 Property Taxes ( 6 mo.) to Any County USA	\$631.80		
05			
<b>G. Initial Escrow Payment at Closing</b>	<b>\$576.95</b>		
01 Homeowner’s Insurance \$100.83 per month for 2 mo.	\$201.66		
02 Mortgage Insurance \$82.35 per month for 2 mo.	\$164.70		
03 Property Taxes \$105.30 per month for 2 mo.	\$210.60		
04			
05			
06			
07			
08 Aggregate Adjustment	– \$0.01		
<b>H. Other</b>			
01			
02			
03			
04			
05			
06			
07			
08			
<b>I. TOTAL OTHER COSTS (Borrower-Paid)</b>	<b>\$2,762.07</b>		
Other Costs Subtotals (E + F + G + H)	\$2,762.07		
<b>J. TOTAL CLOSING COSTS (Borrower-Paid)</b>	<b>\$5,757.57</b>		
Closing Costs Subtotals (D + I)	\$5,822.57	\$435.00	
Lender Credits	– \$500.00		

Round 6 – Closing Disclosure, Refinance, Cash Back, page 3

**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	
<b>K. TOTAL PAYOFFS AND PAYMENTS</b>	\$115,000.00

**Calculating Cash to Close**

Use this table to see what has changed from your Loan Estimate.

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

Round 6 – Closing Disclosure, Refinance, Cash Back, page 4

**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  
123 Anywhere Street, 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: <i>Property Taxes, Homeowner's Insurance</i>
Non-Escrowed Property Costs over Year 1	\$1,800.00	Estimated total amount over year 1 for your non-escrowed property costs: <i>HOA Dues</i>  You may have other property costs.
Initial Escrow Payment	\$576.95	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.

## Round 6 – Closing Disclosure, Refinance, Cash Back, page 5

### Loan Calculations

<b>Total of Payments.</b> Total you will have paid after you make all payments of principal, interest, mortgage insurance, and loan costs, as scheduled.	\$273,214.50
<b>Finance Charge.</b> The dollar amount the loan will cost you.	\$121,029.00
<b>Amount Financed.</b> The loan amount available after paying your upfront finance charge.	\$148,241.94
<b>Annual Percentage Rate (APR).</b> Your costs over the loan term expressed as a rate. This is not your interest rate.	4.543%
<b>Total Interest Percentage (TIP).</b> The total amount of interest that you will pay over the loan term as a percentage of your loan amount.	77.29%



**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/learnmore](http://www.consumerfinance.gov/learnmore).

### 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.

### Contact Information

	Lender	Mortgage Broker	Settlement Agent
<b>Name</b>	Ficus Bank		Zeta Title
<b>Address</b>	4321 Random Blvd. Somecity, ST 12340		321 Uptown Dr. Anytown, ST 12345
<b>NMLS ID</b>			P76821
<b>ST License ID</b>			
<b>Contact</b>	Joe S.		Joan T.
<b>Contact NMLS ID</b>	12345		
<b>ST Contact License ID</b>	56789		
<b>Email</b>	joesmith@ficusbank.com		joan@zt.biz
<b>Phone</b>	123-456-7890		555-321-9876

### 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

Round 6 – Loan Estimate, Refinance, Cash back, page 1

**FIR BANK**

4321 Random Boulevard • Somecity, ST 12340

Save this Loan Estimate to compare with your Closing Disclosure.

**Loan Estimate**

**DATE ISSUED** 2/15/2013  
**APPLICANTS** John A. and Mary B.  
 123 Anywhere Street  
 Anytown, ST 12345  
**PROPERTY** 123 Anywhere Street  
 Anytown, ST 12345  
**EST. PROP. VALUE** \$180,000

**LOAN TERM** 30 years  
**PURPOSE** Refinance  
**PRODUCT** Fixed Rate  
**LOAN TYPE**  Conventional  FHA  VA  \_\_\_\_\_  
**LOAN ID #** 123456789  
**RATE LOCK**  NO  YES, until 4/16/2013 at 5:00 p.m. EDT  
*Before closing, your interest rate, points, and lender credits can change unless you lock the interest rate. All other estimated closing costs expire on 3/22/2013 at 5:00 p.m. EDT*

**Loan Terms**

<b>Loan Amount</b>	\$150,000
<b>Interest Rate</b>	4.125%
<b>Monthly Principal &amp; Interest</b> <i>See Projected Payments below for your Estimated Total Monthly Payment</i>	\$726.97

**Can this amount increase after closing?**

<b>Loan Amount</b>	NO
<b>Interest Rate</b>	NO
<b>Monthly Principal &amp; Interest</b>	NO

**Does the loan have these features?**

<b>Prepayment Penalty</b>	NO
<b>Balloon Payment</b>	NO

**Projected Payments**

Payment Calculation	Years 1-4	Years 5-30
Principal & Interest	\$726.97	\$726.97
Mortgage Insurance	+ 82	+ —
Estimated Escrow <i>Amount can increase over time</i>	+ 206	+ 206
<b>Estimated Total Monthly Payment</b>	<b>\$1,015</b>	<b>\$933</b>

<b>Estimated Taxes, Insurance &amp; Assessments</b> <i>Amount can increase over time</i>	\$206 a month	<b>This estimate includes</b>	<b>In escrow?</b>
		<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>	YES YES

**Costs at Closing**

<b>Estimated Closing Costs</b>	\$5,691	Includes \$3,641 in Loan Costs + \$2,050 in Other Costs – \$0 in Lender Credits.
<b>Estimated Cash to Close</b> <input type="checkbox"/> From <input checked="" type="checkbox"/> To Borrower	\$24,309	Includes Closing Costs. See details on page 2.

Visit [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore) for general information and tools.

Round 6 – Loan Estimate, Refinance, Cash Back, page 2

**Closing Cost Details**

**Loan Costs**

<b>A. Origination Charges</b>	<b>\$2,250</b>
1 % of Loan Amount (Points)	\$1,500
Application Fee	\$750

<b>B. Services You Cannot Shop For</b>	<b>\$630</b>
Appraisal Fee	\$410
Credit Report Fee	\$35
Flood Determination Fee	\$25
Flood Monitoring Fee	\$50
Tax Monitoring Fee	\$65
Tax Status Research Fee	\$45

<b>C. Services You Can Shop For</b>	<b>\$761</b>
Pest Inspection Fee	\$75
Title – Insurance Binder	\$35
Title – Lender’s Title Policy	\$251
Title – Settlement Agent Fee	\$150
Title – Title Search	\$250

<b>D. TOTAL LOAN COSTS (A + B + C)</b>	<b>\$3,641</b>
--	----------------

**Other Costs**

<b>E. Taxes and Other Government Fees</b>	<b>\$60</b>
Recording Fees and Other Taxes	\$60
Transfer Taxes	

<b>F. Prepays</b>	<b>\$1,577</b>
Homeowner’s Insurance Premium ( <u>6</u> months)	\$605
Mortgage Insurance Premium ( <u>1</u> months)	\$82
Prepaid Interest ( \$17.19 per day for 15 days @ 4.125%)	\$258
Property Taxes ( <u>6</u> months)	\$632

<b>G. Initial Escrow Payment at Closing</b>	<b>\$413</b>
Homeowner’s Insurance \$100.83 per month for 2 mo.	\$202
Mortgage Insurance per month for mo	
Property Taxes \$105.30 per month for 2 mo.	\$211

<b>H. Other</b>	<b>\$0</b>
-----------------	------------

<b>I. TOTAL OTHER COSTS (E + F + G + H)</b>	<b>\$2,050</b>
---	----------------

<b>J. TOTAL CLOSING COSTS</b>	<b>\$5,691</b>
D + I	\$5,691
Lender Credits	

**Calculating Cash to Close**

Loan Amount	\$150,000
Total Closing Costs (J)	– \$5,691
Estimated Total Payoffs and Payments	– \$120,000

<b>Estimated Cash to Close</b> <input type="checkbox"/> From <input checked="" type="checkbox"/> To Borrower	\$24,309
--	----------

Estimated Closing Costs Financed (Included in Loan Amount)	\$5,691
---	---------

Round 6 – Loan Estimate, Refinance, Cash Back, page 3

**Additional Information About This Loan**

<b>LENDER</b>	Fir Bank	<b>MORTGAGE BROKER</b>
<b>NMLS/LICENSE ID</b>		<b>NMLS/LICENSE ID</b>
<b>LOAN OFFICER</b>	Joe Smith	<b>LOAN OFFICER</b>
<b>NMLS/LICENSE ID</b>	12345	<b>NMLS/LICENSE ID</b>
<b>EMAIL</b>	joesmith@firbank.com	<b>EMAIL</b>
<b>PHONE</b>	123-456-7890	<b>PHONE</b>

Comparisons	Use these measures to compare this loan with other loans.	
<b>In 5 Years</b>	\$51,305	Total you will have paid in principal, interest, mortgage insurance, and loan costs.
	\$14,057	Principal you will have paid off.
<b>Annual Percentage Rate (APR)</b>	4.423%	Your costs over the loan term expressed as a rate. This is not your interest rate.
<b>Total Interest Percentage (TIP)</b>	74.65%	The total amount of interest that you will pay over the loan term as a percentage of your loan amount.

**Other Considerations**

- Appraisal** We may order an appraisal to determine the property's value and charge you for this appraisal. We will promptly give you a copy of any appraisal, even if your loan does not close. You can pay for an additional appraisal for your own use at your own cost.
- Assumption** If you sell or transfer this property to another person, we
  - 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.
- Homeowner's Insurance** This loan requires homeowner's insurance on the property, which you may obtain from a company of your choice that we find acceptable.
- Late Payment** If your payment is more than 15 days late, we will charge a late fee of 5% of the monthly principal and interest payment.
- Loan Acceptance** You do not have to accept this loan because you have received this form or signed a loan application.
- Liability after Foreclosure** Taking this loan could end any state law protection you may currently have against liability for unpaid debt if your lender forecloses on your home. If you lose this protection, you may have to pay any debt remaining even after foreclosure. You may want to consult a lawyer for more information.
- 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.
- Servicing** We intend
  - to service your loan. If so, you will make your payments to us.
  - to transfer servicing of your loan.

Round 6 – Closing Disclosure, Refinance, Cash Back Owed, page 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** Zeta Title  
**File #** 12-3456  
**Property** 123 Anywhere Street  
 Anytown, ST 12345  
**Appraised Prop. Value** \$180,000

### Transaction Information

**Borrower** John A. and Mary B.  
 123 Anywhere Street  
 Anytown, ST 12345  
**Lender** Fir Bank

### Loan Information

**Loan Term** 30 years  
**Purpose** Refinance  
**Product** Fixed Rate  
**Loan Type**  Conventional  FHA  
 VA  \_\_\_\_\_  
**Loan ID #** 123456789  
**MIC #** 009874513

Loan Terms	Can this amount increase after closing?	
<b>Loan Amount</b>	\$150,000	<b>NO</b>
<b>Interest Rate</b>	4.125%	<b>NO</b>
<b>Monthly Principal &amp; Interest</b> <i>See Projected Payments below for your Estimated Total Monthly Payment</i>	\$726.97	<b>NO</b>
<b>Does the loan have these features?</b>		
<b>Prepayment Penalty</b>		<b>NO</b>
<b>Balloon Payment</b>		<b>NO</b>

Projected Payments	Years 1-4	Years 5-30
<b>Payment Calculation</b>		
Principal & Interest	\$726.97	\$726.97
Mortgage Insurance	+ 82.35	+ —
Estimated Escrow <i>Amount can increase over time</i>	+ 206.13	+ 206.13
<b>Estimated Total Monthly Payment</b>	<b>\$1,015.45</b>	<b>\$933.10</b>
<b>Estimated Taxes, Insurance &amp; Assessments</b> <i>Amount can increase over time See details on page 4</i>	\$206.13 a month	<b>This estimate includes</b> <input checked="" type="checkbox"/> Property Taxes <input checked="" type="checkbox"/> Homeowner's Insurance <input type="checkbox"/> Other: <i>See page 4 for escrowed property costs. You must pay for other property costs separately.</i>
		<b>In escrow?</b> <b>YES</b> <b>YES</b>

Costs at Closing		
<b>Closing Costs</b>	\$6,156.60	Includes \$3,800.50 in Loan Costs + \$2,856.10 in Other Costs – \$500 in Lender Credits.
<b>Cash to Close</b> <input checked="" type="checkbox"/> From <input type="checkbox"/> To Borrower	\$6,716.60	Includes Closing Costs. See details on page 3.



Round 6 – Closing Disclosure, Refinance, Cash Back Owed, page 2

POST-PROPOSAL CONSUMER TESTING OF THE SPANISH AND REFINANCE INTEGRATED TILA-RESPA DISCLOSURES

**Closing Cost Details**

Loan Costs	Borrower-Paid		Paid by Others
	At Closing	Before Closing	
<b>A. Origination Charges</b>	<b>\$2,250.00</b>		
01 1 % of Loan Amount (Points)	\$1,500.00		
02 Application Fee	\$750.00		
03			
04			
05			
06			
07			
08			
<b>B. Services Borrower Did Not Shop For</b>	<b>\$620.00</b>		
01 Appraisal Fee to John Smith Appraisers Inc.		\$405.00	
02 Credit Report Fee to Information Inc.		\$35.00	
03 Flood Determination Fee to Info Co.	\$25.00		
04 Flood Monitoring Fee to Info Co.	\$45.00		
05 Tax Monitoring Fee to Info Co.	\$65.00		
06 Tax Status Research Fee to Info Co.	\$45.00		
07			
08			
09			
10			
<b>C. Services Borrower Did Shop For</b>	<b>\$930.50</b>		
01 Pest Inspection Fee to Pests Co.	\$80.00		
02 Title – Insurance Binder to Epsilon Title Co.	\$50.00		
03 Title – Lender’s Title Policy to Epsilon Title Co.	\$250.50		
04 Title – Settlement Agent Fee to Epsilon Title Co.	\$350.00		
05 Title – Title Search to Epsilon Title Co.	\$200.00		
06			
07			
08			
<b>D. TOTAL LOAN COSTS (Borrower-Paid)</b>	<b>\$3,800.50</b>		
Loan Costs Subtotals (A + B + C)	\$3,360.50	\$440.00	
<b>Other Costs</b>			
<b>E. Taxes and Other Government Fees</b>	<b>\$80.00</b>		
01 Recording Fees Deed: Mortgage: \$80.00	\$80.00		
02 State Transfer Tax			
<b>F. Prepays</b>	<b>\$2,199.15</b>		
01 Homeowner’s Insurance Premium ( 12 mo.) to Insurance Co.	\$1,209.96		
02 Mortgage Insurance Premium ( 1 mo.) to MI Co.	\$82.35		
03 Prepaid Interest \$17.19 per day from 4/15/2013 to 5/1/2013	\$275.04		
04 Property Taxes ( 6 mo.) to Any County USA	\$631.80		
05			
<b>G. Initial Escrow Payment at Closing</b>	<b>\$576.95</b>		
01 Homeowner’s Insurance \$100.83 per month for 2 mo.	\$201.66		
02 Mortgage Insurance \$82.35 per month for 2 mo.	\$164.70		
03 Property Taxes \$105.30 per month for 2 mo.	\$210.60		
04			
05			
06			
07			
08 Aggregate Adjustment	– \$0.01		
<b>H. Other</b>			
01			
02			
03			
04			
05			
06			
07			
08			
<b>I. TOTAL OTHER COSTS (Borrower-Paid)</b>	<b>\$2,856.10</b>		
Other Costs Subtotals (E + F + G + H)	\$2,856.10		
<b>J. TOTAL CLOSING COSTS (Borrower-Paid)</b>	<b>\$6,156.60</b>		
Closing Costs Subtotals (D + I)	\$6,216.60	\$440.00	
Lender Credits	– \$500.00		

Round 6 – Closing Disclosure, Refinance, Cash Back Owed, page 3

**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	\$124,000.00
02 Beta Card Inc. to pay down credit card balance	\$5,000.00
03 Bob's Home Improvement to pay off mechanic's lien	\$12,000.00
04 State of Anywhere to pay off tax lien	\$10,000.00
05	
06	
07	
08	
09	
10	
11	
12	
13	
14	
15	
<b>K. TOTAL PAYOFFS AND PAYMENTS</b>	\$151,000.00

**Calculating Cash to Close**

Use this table to see what has changed from your Loan Estimate.

	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 <b>Total Loan Costs (D)</b> and <b>Total Other Costs (I)</b>
Closing Costs Paid Before Closing	\$0	\$440.00	YES • You paid these Closing Costs <b>before closing</b>
Total Payoffs and Payments (K)	– \$120,000.00	– \$151,000.00	YES • See <b>Payoffs and Payments (K)</b>
<b>Cash to Close</b>	\$24,309.00	\$6,716.60	
	<input type="checkbox"/> From <input checked="" type="checkbox"/> To Borrower	<input checked="" type="checkbox"/> From <input type="checkbox"/> To Borrower	
Closing Costs Financed (Included in Loan Amount)	\$5,691.00	\$0	

## 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  
123 Anywhere Street, 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: <i>Property Taxes, Homeowner's Insurance</i>
Non-Escrowed Property Costs over Year 1		Estimated total amount over year 1 for your non-escrowed property costs:  You may have other property costs.
Initial Escrow Payment	\$576.95	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.

## Round 6 – Closing Disclosure, Refinance, Cash Back Owed, page 5

### Loan Calculations

<b>Total of Payments.</b> Total you will have paid after you make all payments of principal, interest, mortgage insurance, and loan costs, as scheduled.	\$269,574.50
<b>Finance Charge.</b> The dollar amount the loan will cost you.	\$116,884.00
<b>Amount Financed.</b> The loan amount available after paying your upfront finance charge.	\$148,367.91
<b>Annual Percentage Rate (APR).</b> Your costs over the loan term expressed as a rate. This is not your interest rate.	4.404%
<b>Total Interest Percentage (TIP).</b> The total amount of interest that you will pay over the loan term as a percentage of your loan amount.	74.66%



**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/learnmore](http://www.consumerfinance.gov/learnmore).

### 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.

### Contact Information

	Lender	Mortgage Broker	Settlement Agent
<b>Name</b>	Fir Bank		Zeta Title
<b>Address</b>	4321 Random Blvd. Somecity, ST 12340		321 Uptown Dr. Anytown, ST 12345
<b>NMLS ID</b>			P76821
<b>ST License ID</b>			
<b>Contact</b>	Joe S.		Joan T.
<b>Contact NMLS ID</b>	12345		
<b>ST Contact License ID</b>	56789		
<b>Email</b>	joesmith@firbank.com		joan@zt.biz
<b>Phone</b>	123-456-7890		555-321-9876

### 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

Round 6 – Loan Estimate, Refinance, Cash Back with bolded Costs at Closing, page 1

POST-PROPOSAL CONSUMER TESTING OF THE SPANISH AND REFINANCE INTEGRATED TILA-RESPA DISCLOSURES

**FICUS BANK**

4321 Random Boulevard • Somecity, ST 12340

Save this Loan Estimate to compare with your Closing Disclosure.

**Loan Estimate**

**DATE ISSUED** 2/15/2013  
**APPLICANTS** John A. and Mary B.  
 123 Anywhere Street  
 Anytown, ST 12345  
**PROPERTY** 123 Anywhere Street  
 Anytown, ST 12345  
**EST. PROP. VALUE** \$180,000

**LOAN TERM** 30 years  
**PURPOSE** Refinance  
**PRODUCT** Fixed Rate  
**LOAN TYPE**  Conventional  FHA  VA  \_\_\_\_\_  
**LOAN ID #** 123456789  
**RATE LOCK**  NO  YES, until 4/16/2013 at 5:00 p.m. EDT  
*Before closing, your interest rate, points, and lender credits can change unless you lock the interest rate. All other estimated closing costs expire on 3/22/2013 at 5:00 p.m. EDT*

Loan Terms	Can this amount increase after closing?	
<b>Loan Amount</b>	\$150,000	<b>NO</b>
<b>Interest Rate</b>	4.25%	<b>NO</b>
<b>Monthly Principal &amp; Interest</b> <i>See Projected Payments below for your Estimated Total Monthly Payment</i>	\$737.91	<b>NO</b>
<b>Does the loan have these features?</b>		
<b>Prepayment Penalty</b>		<b>NO</b>
<b>Balloon Payment</b>		<b>NO</b>

Projected Payments		
Payment Calculation	Years 1-4	Years 5-30
Principal & Interest	\$737.91	\$737.91
Mortgage Insurance	+ 82	+ —
Estimated Escrow <i>Amount can increase over time</i>	+ 206	+ 206
<b>Estimated Total Monthly Payment</b>	<b>\$1,026</b>	<b>\$944</b>
<b>Estimated Taxes, Insurance &amp; Assessments</b> <i>Amount can increase over time</i>	\$206 a month	<b>This estimate includes</b> <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>
		<b>In escrow?</b> <b>YES</b> <b>YES</b>

Cash to Close	
<b>Estimated Cash to Close</b> <input type="checkbox"/> From <input checked="" type="checkbox"/> To Borrower	\$24,901.00 Includes <b>\$5,099</b> in <b>Closing Costs</b> (\$3,521 in Loan Costs + \$2,078 in Other Costs – \$500 in Lender Credits). See details on page 2.

Visit [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore) for general information and tools.

Round 6 – Loan Estimate, Refinance, Cash Back with Costs at Closing, page 2

**Closing Cost Details**

**Loan Costs**

<b>A. Origination Charges</b>	<b>\$1,950</b>
.5 % of Loan Amount (Points)	\$750
Application Fee	\$250
Origination Fee	\$450
Underwriting Fee	\$500

<b>B. Services You Cannot Shop For</b>	<b>\$635</b>
Appraisal Fee	\$425
Credit Report Fee	\$30
Flood Determination Fee	\$25
Flood Monitoring Fee	\$45
Tax Monitoring Fee	\$65
Tax Status Research Fee	\$45

<b>C. Services You Can Shop For</b>	<b>\$936</b>
Pest Inspection Fee	\$85
Title – Insurance Binder	\$50
Title – Lender’s Title Policy	\$251
Title – Settlement Agent Fee	\$350
Title – Title Search	\$200

<b>D. TOTAL LOAN COSTS (A + B + C)</b>	<b>\$3,521</b>
--	----------------

**Other Costs**

<b>E. Taxes and Other Government Fees</b>	<b>\$80</b>
Recording Fees and Other Taxes	\$80
Transfer Taxes	

<b>F. Prepays</b>	<b>\$1,585</b>
Homeowner’s Insurance Premium ( <u>6</u> months)	\$605
Mortgage Insurance Premium ( <u>1</u> months)	\$82
Prepaid Interest ( \$17.71 per day for 15 days @ 4.25%)	\$266
Property Taxes ( <u>6</u> months)	\$632

<b>G. Initial Escrow Payment at Closing</b>	<b>\$413</b>
Homeowner’s Insurance \$100.83 per month for 2 mo.	\$202
Mortgage Insurance per month for mo	
Property Taxes \$105.30 per month for 2 mo.	\$211

<b>H. Other</b>	<b>\$0</b>
-----------------	------------

<b>I. TOTAL OTHER COSTS (E + F + G + H)</b>	<b>\$2,078</b>
---	----------------

<b>J. TOTAL CLOSING COSTS</b>	<b>\$5,099</b>
D + I	\$5,599
Lender Credits	– \$500

**Calculating Cash to Close**

Loan Amount	\$150,000
Total Closing Costs (J)	– \$5,099
Estimated Total Payoffs and Payments	– \$120,000

<b>Estimated Cash to Close</b> <input type="checkbox"/> From <input checked="" type="checkbox"/> To Borrower	<b>\$24,901</b>
--	-----------------

Estimated Closing Costs Financed (Included in Loan Amount)	\$5,099
---	---------

Round 6 – Loan Estimate, Refinance, Cash Back with Costs at Closing, page 3

POST-PROPOSAL CONSUMER TESTING OF THE SPANISH AND REFINANCE INTEGRATED TILA-RESPA DISCLOSURES

**Additional Information About This Loan**

**LENDER** Ficus Bank  
**NMLS/LICENSE ID**  
**LOAN OFFICER** Joe Smith  
**NMLS/LICENSE ID** 12345  
**EMAIL** joesmith@ficusbank.com  
**PHONE** 123-456-7890

**MORTGAGE BROKER**  
**NMLS/LICENSE ID**  
**LOAN OFFICER**  
**NMLS/LICENSE ID**  
**EMAIL**  
**PHONE**

**Comparisons**

Use these measures to compare this loan with other loans.

<b>In 5 Years</b>	\$51,932 Total you will have paid in principal, interest, mortgage insurance, and loan costs. \$13,788 Principal you will have paid off.
<b>Annual Percentage Rate (APR)</b>	4.537% Your costs over the loan term expressed as a rate. This is not your interest rate.
<b>Total Interest Percentage (TIP)</b>	77.28% The total amount of interest that you will pay over the loan term as a percentage of your loan amount.

**Other Considerations**

- Appraisal** We may order an appraisal to determine the property's value and charge you for this appraisal. We will promptly give you a copy of any appraisal, even if your loan does not close. You can pay for an additional appraisal for your own use at your own cost.
- Assumption** If you sell or transfer this property to another person, we  
 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.
- Homeowner's Insurance** This loan requires homeowner's insurance on the property, which you may obtain from a company of your choice that we find acceptable.
- Late Payment** If your payment is more than 15 days late, we will charge a late fee of 5% of the monthly principal and interest payment.
- Loan Acceptance** You do not have to accept this loan because you have received this form or signed a loan application.
- Liability after Foreclosure** Taking this loan could end any state law protection you may currently have against liability for unpaid debt if your lender forecloses on your home. If you lose this protection, you may have to pay any debt remaining even after foreclosure. You may want to consult a lawyer for more information.
- 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.
- Servicing** We intend  
 to service your loan. If so, you will make your payments to us.  
 to transfer servicing of your loan.

Round 6 – Closing Disclosure, Refinance, Cash Owed with bolded Costs at Closing, page 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** Zeta Title  
**File #** 12-3456  
**Property** 123 Anywhere Street  
 Anytown, ST 12345  
**Appraised Prop. Value** \$180,000

### Transaction Information

**Borrower** John A. and Mary B.  
 123 Anywhere Street  
 Anytown, ST 12345  
**Lender** Ficus Bank

### Loan Information

**Loan Term** 30 years  
**Purpose** Refinance  
**Product** Fixed Rate  
**Loan Type**  Conventional  FHA  
 VA  \_\_\_\_\_  
**Loan ID #** 123456789  
**MIC #** 009874513

Loan Terms	Can this amount increase after closing?	
<b>Loan Amount</b>	\$150,000	<b>NO</b>
<b>Interest Rate</b>	4.25%	<b>NO</b>
<b>Monthly Principal &amp; Interest</b> <i>See Projected Payments below for your Estimated Total Monthly Payment</i>	\$737.91	<b>NO</b>
<b>Does the loan have these features?</b>		
<b>Prepayment Penalty</b>		<b>NO</b>
<b>Balloon Payment</b>		<b>NO</b>

Projected Payments	Years 1-4	Years 5-30
<b>Payment Calculation</b>		
Principal & Interest	\$737.91	\$737.91
Mortgage Insurance	+ 82.35	+ —
Estimated Escrow <i>Amount can increase over time</i>	+ 206.13	+ 206.13
<b>Estimated Total Monthly Payment</b>	<b>\$1,026.39</b>	<b>\$944.04</b>
<b>Estimated Taxes, Insurance &amp; Assessments</b> <i>Amount can increase over time See details on page 4</i>	<b>\$356.13</b> a month	<b>In escrow?</b> <b>YES</b> <b>YES</b> <b>NO</b>
	<b>This estimate includes</b> <input checked="" type="checkbox"/> Property Taxes <input checked="" type="checkbox"/> Homeowner's Insurance <input checked="" type="checkbox"/> Other: HOA <i>See page 4 for escrowed property costs. You must pay for other property costs separately.</i>	

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



Round 6 – Closing Disclosure, Refinance, Cash Owed with Costs at Closing, page 2

POST-PROPOSAL CONSUMER TESTING OF THE SPANISH AND REFINANCE INTEGRATED TILA-RESPA DISCLOSURES

**Closing Cost Details**

Loan Costs	Borrower-Paid		Paid by Others
	At Closing	Before Closing	
<b>A. Origination Charges</b>	<b>\$1,950.00</b>		
01 .5 % of Loan Amount (Points)	\$750.00		
02 Application Fee	\$250.00		
03 Origination Fee	\$450.00		
04 Underwriting Fee	\$500.00		
05			
06			
07			
08			
<b>B. Services Borrower Did Not Shop For</b>	<b>\$610.00</b>		
01 Appraisal Fee to John Smith Appraisers Inc.		\$405.00	
02 Credit Report Fee to Information Inc.		\$30.00	
03 Flood Determination Fee to Info Co.	\$20.00		
04 Flood Monitoring Fee to Info Co.	\$45.00		
05 Tax Monitoring Fee to Info Co.	\$65.00		
06 Tax Status Research Fee to Info Co.	\$45.00		
07			
08			
09			
10			
<b>C. Services Borrower Did Shop For</b>	<b>\$935.50</b>		
01 Pest Inspection Fee to Pests Co.	\$85.00		
02 Title – Insurance Binder to Epsilon Title Co.	\$50.00		
03 Title – Lender’s Title Policy to Epsilon Title Co.	\$250.50		
04 Title – Settlement Agent Fee to Epsilon Title Co.	\$350.00		
05 Title – Title Search to Epsilon Title Co.	\$200.00		
06			
07			
08			
<b>D. TOTAL LOAN COSTS (Borrower-Paid)</b>	<b>\$3,495.50</b>		
Loan Costs Subtotals (A + B + C)	\$3,060.50	\$435.00	
<b>Other Costs</b>			
<b>E. Taxes and Other Government Fees</b>	<b>\$60.00</b>		
01 Recording Fees Deed: Mortgage: \$60.00	\$60.00		
02 State Transfer Tax			
<b>F. Prepays</b>	<b>\$2,125.12</b>		
01 Homeowner’s Insurance Premium ( 12 mo.) to Insurance Co.	\$1,209.96		
02 Mortgage Insurance Premium ( mo.)			
03 Prepaid Interest \$17.71 per day from 4/15/2013 to 5/1/2013	\$283.36		
04 Property Taxes ( 6 mo.) to Any County USA	\$631.80		
05			
<b>G. Initial Escrow Payment at Closing</b>	<b>\$576.95</b>		
01 Homeowner’s Insurance \$100.83 per month for 2 mo.	\$201.66		
02 Mortgage Insurance \$82.35 per month for 2 mo.	\$164.70		
03 Property Taxes \$105.30 per month for 2 mo.	\$210.60		
04			
05			
06			
07			
08 Aggregate Adjustment	– \$0.01		
<b>H. Other</b>			
01			
02			
03			
04			
05			
06			
07			
08			
<b>I. TOTAL OTHER COSTS (Borrower-Paid)</b>	<b>\$2,762.07</b>		
Other Costs Subtotals (E + F + G + H)	\$2,762.07		
<b>J. TOTAL CLOSING COSTS (Borrower-Paid)</b>	<b>\$5,757.57</b>		
Closing Costs Subtotals (D + I)	\$5,822.57	\$435.00	
Lender Credits	– \$500.00		

Round 6 – Closing Disclosure, Refinance, Cash Owed with Costs at Closing, page 3

**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	
<b>K. TOTAL PAYOFFS AND PAYMENTS</b>	\$115,000.00

**Calculating Cash to Close**

Use this table to see what has changed from your Loan Estimate.

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

## 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  
123 Anywhere Street, 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: <i>Property Taxes, Homeowner's Insurance</i>
Non-Escrowed Property Costs over Year 1	\$1,800.00	Estimated total amount over year 1 for your non-escrowed property costs: <i>HOA Dues</i>  You may have other property costs.
Initial Escrow Payment	\$576.95	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.

Round 6 – Closing Disclosure, Refinance, Cash Owed with Costs at Closing, page 5

**Loan Calculations**

<b>Total of Payments.</b> Total you will have paid after you make all payments of principal, interest, mortgage insurance, and loan costs, as scheduled.	\$273,214.50
<b>Finance Charge.</b> The dollar amount the loan will cost you.	\$121,029.00
<b>Amount Financed.</b> The loan amount available after paying your upfront finance charge.	\$148,241.94
<b>Annual Percentage Rate (APR).</b> Your costs over the loan term expressed as a rate. This is not your interest rate.	4.543%
<b>Total Interest Percentage (TIP).</b> The total amount of interest that you will pay over the loan term as a percentage of your loan amount.	77.29%

**?** **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/learnmore](http://www.consumerfinance.gov/learnmore).

**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.

**Contact Information**

	<b>Lender</b>	<b>Mortgage Broker</b>	<b>Settlement Agent</b>
<b>Name</b>	Ficus Bank		Zeta Title
<b>Address</b>	4321 Random Blvd. Somecity, ST 12340		321 Uptown Dr. Anytown, ST 12345
<b>NMLS ID</b>			P76821
<b>ST License ID</b>			
<b>Contact</b>	Joe S.		Joan T.
<b>Contact NMLS ID</b>	12345		
<b>ST Contact License ID</b>	56789		
<b>Email</b>	joesmith@ficusbank.com		joan@zt.biz
<b>Phone</b>	123-456-7890		555-321-9876

**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 \_\_\_\_\_





## Round 7 – Loan Estimate, 5 year Interest Only, 5/3 Adjustable Rate with Costs at Closing, page 1

### GINGKO BANK

4321 Random Boulevard • Somecity, ST 12340

Save this Loan Estimate to compare with your Closing Disclosure.

### Loan Estimate

**DATE ISSUED** 2/15/2013  
**APPLICANTS** John A. and Mary B.  
 123 Anywhere Street  
 Anytown, ST 12345  
**PROPERTY** 456 Somewhere Avenue  
 Anytown, ST 12345  
**SALE PRICE** \$240,000

**LOAN TERM** 30 years  
**PURPOSE** Purchase  
**PRODUCT** 5 Year Interest Only, 5/3 Adjustable Rate  
**LOAN TYPE**  Conventional  FHA  VA  \_\_\_\_\_  
**LOAN ID #** 123456789  
**RATE LOCK**  NO  YES, until 4/16/2013 at 5:00 p.m. EDT  
*Before closing, your interest rate, points, and lender credits can change unless you lock the interest rate. All other estimated closing costs expire on 3/22/2013 at 5:00 p.m. EDT*

#### Loan Terms

**Loan Amount** \$211,000  
**Interest Rate** 4%  
**Monthly Principal & Interest** \$703.33  
*See Projected Payments below for your Estimated Total Monthly Payment*

#### Can this amount increase after closing?

**NO**  
**YES** • Adjusts **every 3 years** starting in year 6  
 • Can go **as high as 12%** in year 15  
 • See **AIR Table on page 2** for details  
**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 2** for details

#### Does the loan have these features?

**Prepayment Penalty** NO  
**Balloon Payment** NO

#### 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	+ 109	+ 109	+ —
Estimated Escrow <i>Amount can increase over time</i>	+ 0	+ 0	+ 0	+ 0
<b>Estimated Total Monthly Payment</b>	<b>\$812</b>	<b>\$1,137–\$1,468</b>	<b>\$1,137–\$1,713</b>	<b>\$1,028–\$2,068</b>

**Estimated Taxes, Insurance & Assessments** \$533 a month  
*Amount can increase over time*

**This estimate includes**  
 Property Taxes  
 Homeowner's Insurance  
 Other:  
*See Section G on page 2 for escrowed property costs. You must pay for other property costs separately.*

**In escrow?**  
**NO**  
**NO**

#### Costs at Closing

**Estimated Closing Costs** \$8,791 Includes \$5,851 in Loan Costs + \$2,940 in Other Costs – \$0 in Lender Credits. *See page 2 for details.*  
**Estimated Cash to Close** \$27,791 Includes Closing Costs. *See Calculating Cash to Close on page 2 for details.*  
 From  To Borrower

Visit [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore) for general information and tools.

Round 7 – Loan Estimate, 5 year Interest Only, 5/3 Adjustable Rate with Costs at Closing, page 2

**Closing Cost Details**

**Loan Costs**

<b>A. Origination Charges</b>	<b>\$3,110</b>
1 % of Loan Amount (Points)	\$2,110
Application Fee	\$500
Processing Fee	\$500

<b>B. Services You Cannot Shop For</b>	<b>\$820</b>
Appraisal Fee	\$305
Credit Report Fee	\$30
Flood Determination Fee	\$35
Lender’s Attorney Fee	\$400
Tax Status Research Fee	\$50

<b>C. Services You Can Shop For</b>	<b>\$1,921</b>
Pest Inspection Fee	\$125
Survey Fee	\$150
Title – Courier Fee	\$32
Title – Lender’s Title Policy	\$665
Title – Settlement Agent Fee	\$325
Title – Title Search	\$624

<b>D. TOTAL LOAN COSTS (A + B + C)</b>	<b>\$5,851</b>
--	----------------

**Adjustable Payment (AP) Table**

<b>Interest Only Payments?</b>	YES for your first 60 payments
<b>Optional Payments?</b>	NO
<b>Step Payments?</b>	NO
<b>Seasonal Payments?</b>	NO
<b>Monthly Principal and Interest Payments</b>	
First Change/Amount	\$1,028 – \$1,359 at 61st payment
Subsequent Changes	Every three years
Maximum Payment	\$2,068 starting at 169th payment

**Other Costs**

<b>E. Taxes and Other Government Fees</b>	<b>\$152</b>
Recording Fees and Other Taxes	\$152
Transfer Taxes	

<b>F. Prepaids</b>	<b>\$1,352</b>
Homeowner’s Insurance Premium ( 12_ months)	\$1,000
Mortgage Insurance Premium ( __ months)	
Prepaid Interest ( \$23.44 per day for 15 days @ 4.00%)	\$352
Property Taxes ( __ months)	

**G. Initial Escrow Payment at Closing**

Homeowner’s Insurance	per month for	mo.
Mortgage Insurance	per month for	mo.
Property Taxes	per month for	mo.

<b>H. Other</b>	<b>\$1,436</b>
Title – Owner’s Title Policy (optional)	\$1,436

<b>I. TOTAL OTHER COSTS (E + F + G + H)</b>	<b>\$2,940</b>
---	----------------

<b>J. TOTAL CLOSING COSTS</b>	<b>\$8,791</b>
D + I	\$8,791
Lender Credits	

**Calculating Cash to Close**

Total Closing Costs (J)	\$8,791
Closing Costs Financed (Paid from your Loan Amount)	\$0
Down Payment/Funds from Borrower	\$29,000
Deposit	– \$10,000
Funds for Borrower	\$0
Seller Credits	\$0
Adjustments and Other Credits	\$0
<b>Estimated Cash to Close</b>	<b>\$27,791</b>

**Adjustable Interest Rate (AIR) Table**

Index + Margin	MTA + 4%
Initial Interest Rate	4%
Minimum/Maximum Interest Rate	3.25%/12%
<b>Change Frequency</b>	
First Change	Beginning of 61st month
Subsequent Changes	Every 36th month after first change
<b>Limits on Interest Rate Changes</b>	
First Change	2%
Subsequent Changes	2%



**Round 7 – Loan Estimate, 5 year Interest Only, 5/3 Adjustable Rate with Costs at Closing, page 3**

**Additional Information About This Loan**

**LENDER** Gingko Bank  
**NMLS/ST LICENSE ID**  
**LOAN OFFICER** Joe Smith  
**NMLS/ST LICENSE ID** 12345  
**EMAIL** joesmith@gingkobank.com  
**PHONE** 123-456-7890

**MORTGAGE BROKER**  
**NMLS/ST LICENSE ID**  
**LOAN OFFICER**  
**NMLS/ST LICENSE ID**  
**EMAIL**  
**PHONE**

**Comparisons**

Use these measures to compare this loan with other loans.

<b>In 5 Years</b>	\$54,944	Total you will have paid in principal, interest, mortgage insurance, and loan costs.
	\$0	Principal you will have paid off.
<b>Annual Percentage Rate (APR)</b>	4.617%	Your costs over the loan term expressed as a rate. This is not your interest rate.
<b>Total Interest Percentage (TIP)</b>	81.18%	The total amount of interest that you will pay over the loan term as a percentage of your loan amount.

**Other Considerations**

- Appraisal** We may order an appraisal to determine the property's value and charge you for this appraisal. We will promptly give you a copy of any appraisal, even if your loan does not close. You can pay for an additional appraisal for your own use at your own cost.
- Assumption** If you sell or transfer this property to another person, we  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.
- Homeowner's Insurance** This loan requires homeowner's insurance on the property, which you may obtain from a company of your choice that we find acceptable.
- Late Payment** If your payment is more than 15 days late, we will charge a late fee of 5% of the monthly principal and interest payment.
- 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.
- Servicing** We intend  to service your loan. If so, you will make your payments to us.  to transfer servicing of your loan.

**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

## Round 7 – Closing Disclosure, 5 year Negative Amortization, 5/3 Adjustable Rate with Costs at Closing, page 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	
<b>Date Issued</b>	4/15/2013	<b>Borrower</b>	John A. and Mary B. 123 Anywhere Street Anytown, ST 12345	<b>Loan Term</b>	30 years
<b>Closing Date</b>	4/15/2013	<b>Seller</b>	Steve C. and Amy D. 321 Somewhere Drive Anytown, ST 12345	<b>Purpose</b>	Purchase
<b>Disbursement Date</b>	4/15/2013	<b>Lender</b>	Gingko Bank	<b>Product</b>	5 Year Negative Amortization, 5/3 Adjustable Rate
<b>Settlement Agent</b>	Epsilon Title Co.			<b>Loan Type</b>	<input checked="" type="checkbox"/> Conventional <input type="checkbox"/> FHA <input type="checkbox"/> VA <input type="checkbox"/> _____
<b>File #</b>	12-3456			<b>Loan ID #</b>	123456789
<b>Property</b>	456 Somewhere Ave Anytown, ST 12345			<b>MIC #</b>	000654321
<b>Sale Price</b>	\$240,000				

#### Loan Terms

#### Can this amount increase after closing?

<b>Loan Amount</b>	\$211,000	<b>YES</b>	<ul style="list-style-type: none"> <li>Goes as high as <b>\$224,481</b></li> <li>Increases until year 6</li> </ul>
<b>Interest Rate</b>	4%	<b>YES</b>	<ul style="list-style-type: none"> <li>Adjusts <b>every 3 years</b> starting in year 6</li> <li>Can go as high as <b>12%</b> in year 15</li> <li>See <b>AIR Table on page 4</b> for details</li> </ul>
<b>Monthly Principal &amp; Interest</b> <i>See Projected Payments below for your Estimated Total Monthly Payment</i>	\$500.00	<b>YES</b>	<ul style="list-style-type: none"> <li>Adjusts <b>every 3 years</b> starting in year 6</li> <li>Can go as high as <b>\$2,200</b> in year 15</li> <li>Includes <b>only interest</b> and <b>no principal</b> until year 6</li> <li>See <b>AP Table on page 4</b> for details</li> </ul>

#### Does the loan have these features?

<b>Prepayment Penalty</b>	<b>NO</b>
<b>Balloon Payment</b>	<b>NO</b>

#### Projected Payments

Payment Calculation	Years 1-5	Years 6-8	Years 9-11	Years 12-30
Principal & Interest	\$500.00 <i>only interest</i>	\$1,094 min \$1,446 max	\$1,094 min \$1,707 max	\$1,094 min \$2,200 max
Mortgage Insurance	+ 165.28	+ 165.28	+ 165.28	+ 165.28
Estimated Escrow <i>Amount can increase over time</i>	+ 553.60	+ 553.60	+ 553.60	+ 553.60
<b>Estimated Total Monthly Payment</b>	<b>\$1,218.88</b>	<b>\$1,813–\$2,165</b>	<b>\$1,813–\$2,426</b>	<b>\$1,813–\$2,919</b>

#### Estimated Taxes, Insurance & Assessments

*Amount can increase over time  
See page 4 for details*

\$703.60  
a month

#### This estimate includes

- Property Taxes
- Homeowner's Insurance
- Other: Homeowner's Association

#### In escrow?

**YES**  
**YES**  
**NO**

*See Escrow Account on page 4 for details. You must pay for other property costs separately.*

#### Costs at Closing

<b>Closing Costs</b>	\$13,519.43	Includes \$5,877.00 in Loan Costs + \$7,642.43 in Other Costs – \$0 in Lender Credits. <i>See page 2 for details.</i>
<b>Cash to Close</b>	\$30,589.43	Includes Closing Costs. <i>See Calculating Cash to Close on page 3 for details.</i> <input checked="" type="checkbox"/> From <input type="checkbox"/> To Borrower

**Round 7 – Closing Disclosure, 5 year Negative Amortization, 5/3 Adjustable Rate with Costs at Closing, page 2**

<b>Closing Cost Details</b>						
		<b>Borrower-Paid</b>		<b>Seller-Paid</b>		<b>Paid by Others</b>
		At Closing	Before Closing	At Closing	Before Closing	
<b>Loan Costs</b>						
<b>A. Origination Charges</b>		<b>\$3,110.00</b>				
01	1 % of Loan Amount (Points)	\$2,110.00				
02	Application Fee	\$500.00				
03	Processing Fee	\$500.00				
04						
05						
06						
07						
08						
<b>B. Services Borrower Did Not Shop For</b>		<b>\$2,652.00</b>				
01	Appraisal Fee to John Smith Appraisers Inc.		\$305.00			
02	Credit Report Fee to Information Inc.		\$30.00			
03	Flood Determination Fee to Info Co.	\$35.00				
04	Lender's Attorney to Law Firm LLP	\$400.00				
05	Survey Fee to Surveyors Co.	\$150.00				
06	Tax Status Research Fee to Info Co.	\$50.00				
07	Title – Courier Fee to Epsilon Title Co.	\$32.00				
08	Title – Lender's Title Policy to Epsilon Title Co.	\$665.00				
09	Title – Settlement Agent Fee to Epsilon Title Co.	\$330.00				
10	Title – Title Search to Epsilon Title Co.	\$655.00				
<b>C. Services Borrower Did Shop For</b>		<b>\$115.00</b>				
01	Pest Inspection Fee to Pests Co.		\$115.00			
02						
03						
04						
05						
06						
07						
08						
<b>D. TOTAL LOAN COSTS (Borrower-Paid)</b>		<b>\$5,877.00</b>				
Loan Costs Subtotals (A + B + C)		\$5,427.00	\$450.00			
<b>Other Costs</b>						
<b>E. Taxes and Other Government Fees</b>		<b>\$156.00</b>				
01	Recording Fees Deed: \$78.00 Mortgage: \$78.00	\$156.00				
02	State Transfer Tax to Any County USA			\$2,110.00		
<b>F. Prepaids</b>		<b>\$4,318.24</b>				
01	Homeowner's Insurance Premium ( 12 mo.) to Insurance Co.	\$1,243.20				
02	Mortgage Insurance Premium ( mo.)					
03	Prepaid Interest \$23.44 per day from 4/15/13 to 5/1/13	\$375.04				
04	Property Taxes ( 6 mo.) to Any County USA	\$2,700.00				
05						
<b>G. Initial Escrow Payment at Closing</b>		<b>\$1,107.19</b>				
01	Homeowner's Insurance \$103.60 per month for 2 mo.	\$207.20				
02	Mortgage Insurance per month for mo.					
03	Property Taxes \$450.00 per month for 2 mo.	\$900.00				
04						
05						
06						
07						
08	Aggregate Adjustment	- 0.01				
<b>H. Other Costs</b>		<b>\$2,061.00</b>				
01	HOA Capital Contribution to HOA Acre Inc.	\$500.00				
02	HOA Processing Fee to HOA Acre Inc.	\$125.00				
03	Home Inspection Fee to Engineers Inc.				\$750.00	
04	Real Estate Commission to Alpha Real Estate Broker			\$5,275.00		
05	Real Estate Commission to Omega Real Estate Broker			\$5,275.00		
06	Structural Inspection Fee to Structural Engineers Inc.				\$1,100.00	
07	Title – Owner's Title Policy (optional) to Epsilon Title Co.	\$1,436.00				
08						
<b>I. TOTAL OTHER COSTS (Borrower-Paid)</b>		<b>\$7,642.43</b>				
Other Costs Subtotals (E + F + G + H)		\$7,642.43				
<b>J. TOTAL CLOSING COSTS (Borrower-Paid)</b>						
		<b>\$13,519.43</b>				
Closing Costs Subtotals (D + I)		\$13,069.43	\$450.00	\$12,660.00	\$1,850.00	
Lender Credits						

Round 7 – Closing Disclosure, 5 year Negative Amortization, 5/3 Adjustable Rate with Costs at Closing, page 3

**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)	\$8,791.00	\$13,519.43	YES • See <b>Total Loan Costs (D)</b> and <b>Total Other Costs (I)</b>
Closing Costs Paid Before Closing	\$0	– \$450.00	YES • You paid these Closing Costs <b>before closing</b>
Closing Costs Financed (Paid from your Loan Amount)	\$0	\$0	NO
Down Payment/Funds from Borrower	\$29,000.00	\$29,000.00	NO
Deposit	– \$10,000.00	– \$10,000.00	NO
Funds for Borrower	\$0	\$0	NO
Seller Credits	\$0	\$0	NO
Adjustments and Other Credits	\$0	– \$1,480.00	YES • See details in <b>Sections K and L</b>
<b>Cash to Close</b>	<b>\$27,791.00</b>	<b>\$30,589.43</b>	

**Summaries of Transactions**

Use this table to see a summary of your transaction.

**BORROWER'S TRANSACTION**

<b>K. Due from Borrower at Closing</b>	<b>\$253,149.43</b>
01 Sale Price of Property	\$240,000.00
02 Sale Price of Any Personal Property Included in Sale	
03 Closing Costs Paid at Closing (J)	\$13,069.43
04	
<b>Adjustments</b>	
05	
06	
07	
<b>Adjustments for Items Paid by Seller in Advance</b>	
08 City/Town Taxes to	
09 County Taxes to	
10 Assessments to	
11 HOA Dues 4/15/13 to 4/30/13	\$80.00
12	
13	
14	
15	
<b>L. Paid Already by or on Behalf of Borrower at Closing</b>	<b>\$222,560.00</b>
01 Deposit	\$10,000.00
02 Loan Amount	\$211,000.00
03 Existing Loan(s) Assumed or Taken Subject to	
04	
05 Seller Credit	
<b>Other Credits</b>	
06	
07	
<b>Adjustments</b>	
08	
09	
10	
11	
<b>Adjustments for Items Unpaid by Seller</b>	
12 City/Town Taxes 1/1/13 to 4/14/13	\$1,560.00
13 County Taxes to	
14 Assessments to	
15	
16	
17	
<b>CALCULATION</b>	
Total Due from Borrower at Closing (K)	\$253,149.43
Total Paid Already by or on Behalf of Borrower at Closing (L) –	\$222,560.00
<b>Cash to Close</b> <input checked="" type="checkbox"/> From <input type="checkbox"/> To Borrower	<b>\$30,589.43</b>

**SELLER'S TRANSACTION**

<b>M. Due to Seller at Closing</b>	<b>\$240,080.00</b>
01 Sale Price of Property	\$240,000.00
02 Sale Price of Any Personal Property Included in Sale	
03	
04	
05	
06	
07	
08	
<b>Adjustments for Items Paid by Seller in Advance</b>	
09 City/Town Taxes to	
10 County Taxes to	
11 Assessments to	
12 HOA Dues 4/15/13 to 4/30/13	\$80.00
13	
14	
15	
16	
<b>N. Due from Seller at Closing</b>	<b>\$174,220.00</b>
01 Excess Deposit	
02 Closing Costs Paid at Closing (J)	\$12,660.00
03 Existing Loan(s) Assumed or Taken Subject to	
04 Payoff of First Mortgage Loan	\$160,000.00
05 Payoff of Second Mortgage Loan	
06	
07	
08 Seller Credit	
09	
10	
11	
12	
13	
<b>Adjustments for Items Unpaid by Seller</b>	
14 City/Town Taxes 1/1/13 to 4/14/13	\$1,560.00
15 County Taxes to	
16 Assessments to	
17	
18	
19	
<b>CALCULATION</b>	
Total Due to Seller at Closing (M)	\$240,080.00
Total Due from Seller at Closing (N) –	\$174,220.00
<b>Cash</b> <input type="checkbox"/> From <input checked="" type="checkbox"/> To Seller	<b>\$65,860.00</b>

## Round 7 – Closing Disclosure, 5 year Negative Amortization, 5/3 Adjustable Rate with Costs at Closing, page 4

### 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.

#### Adjustable Payment (AP) Table

<b>Interest Only Payments?</b>	YES for your first 60 payments
<b>Optional Payments?</b>	NO
<b>Step Payments?</b>	YES for your first 60 payments
<b>Seasonal Payments?</b>	NO
<b>Monthly Principal and Interest Payments</b>	
First Change/Amount	\$1,094 – \$1,446 at 61st payment
Subsequent Changes	Every three years
Maximum Payment	\$2,200 starting at 169th payment

CLOSING DISCLOSURE

##### 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	\$6,643.20	Estimated total amount over year 1 for your escrowed property costs: <i>Homeowner's Insurance</i> <i>Property Taxes</i>
Non-Escrowed Property Costs over Year 1	\$1,800.00	Estimated total amount over year 1 for your non-escrowed property costs: <i>Homeowner's Association Dues</i>  You may have other property costs.
Initial Escrow Payment	\$1,107.19	A cushion for the escrow account you pay at closing. See Section G on page 2.
Monthly Escrow Payment	\$553.60	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.

#### Adjustable Interest Rate (AIR) Table

Index + Margin	MTA + 4%
Initial Interest Rate	4%
Minimum/Maximum Interest Rate	3.25%/12%
<b>Change Frequency</b>	
First Change	Beginning of 61st month
Subsequent Changes	Every 36th month after first change
<b>Limits on Interest Rate Changes</b>	
First Change	2%
Subsequent Changes	2%

PAGE 4 OF 5 • LOAN ID # 123456789

## Round 7 – Closing Disclosure, 5 year Negative Amortization, 5/3 Adjustable Rate with Costs at Closing, page 5

### Loan Calculations

<b>Total of Payments.</b> Total you will have paid after you make all payments of principal, interest, mortgage insurance, and loan costs, as scheduled.	\$420,339.51
<b>Finance Charge.</b> The dollar amount the loan will cost you.	\$192,991.72
<b>Amount Financed.</b> The loan amount available after paying your upfront finance charge.	\$207,614.96
<b>Annual Percentage Rate (APR).</b> Your costs over the loan term expressed as a rate. This is not your interest rate.	4.872%
<b>Total Interest Percentage (TIP).</b> The total amount of interest that you will pay over the loan term as a percentage of your loan amount.	79.31%



**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/learnmore](http://www.consumerfinance.gov/learnmore).

### 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.

### Contact Information

	Lender	Mortgage Broker	Real Estate Broker (B)	Real Estate Broker (S)	Settlement Agent
<b>Name</b>	Gingko Bank		Omega Real Estate Broker Inc.	Alpha Real Estate Broker Co.	Epsilon Title Co.
<b>Address</b>	4321 Random Blvd. Somecity, ST 12340		789 Local Lane Sometown, ST 12345	987 Suburb Ct. Someplace, ST 12340	123 Commerce Pl. Somecity, ST 12344
<b>NMLS ID</b>			Z765416	Z61456	Z61616
<b>ST License ID</b>					
<b>Contact</b>	Joe S.		Samuel G.	Joseph C.	Sarah A.
<b>Contact NMLS ID</b>	12345		P16415	P51461	PT1234
<b>Contact ST License ID</b>					
<b>Email</b>	joesmith@gingkobank.com		sam@omegare.biz	joe@alphare.biz	sarah@epsilontitle.com
<b>Phone</b>	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

## Round 7 – Loan Estimate, 7 year Interest Only, 7/1 Adjustable Rate with Costs at Closing, page 1

# HORNBEAM BANK

4321 Random Boulevard • Somecity, ST 12340

Save this Loan Estimate to compare with your Closing Disclosure.

---

### Loan Estimate

**DATE ISSUED** 2/15/2013

**APPLICANTS** John A. and Mary B.  
123 Anywhere Street  
Anytown, ST 12345

**PROPERTY** 456 Somewhere Avenue  
Anytown, ST 12345

**SALE PRICE** \$240,000

**LOAN TERM** 30 years

**PURPOSE** Purchase

**PRODUCT** 7 Year Interest Only, 7/1 Adjustable Rate

**LOAN TYPE**  Conventional  FHA  VA  \_\_\_\_\_

**LOAN ID #** 123456789

**RATE LOCK**  NO  YES, until 4/16/2013 at 5:00 p.m. EDT

*Before closing, your interest rate, points, and lender credits can change unless you lock the interest rate. All other estimated closing costs expire on **3/22/2013** at 5:00 p.m. EDT*

---

**Loan Terms**

**Can this amount increase after closing?**

<b>Loan Amount</b>	\$211,000	<b>NO</b>
<b>Interest Rate</b>	4.25%	<b>YES</b> <ul style="list-style-type: none"> <li>Adjusts <b>every year</b> starting in year 8</li> <li>Can go <b>as high as 8%</b> in year 11</li> <li>See <b>AIR Table on page 2</b> for details</li> </ul>
<b>Monthly Principal &amp; Interest</b> <small>See Projected Payments below for your Estimated Total Monthly Payment</small>	\$747.29	<b>YES</b> <ul style="list-style-type: none"> <li>Adjusts <b>every year</b> starting in year 8</li> <li>Can go <b>as high as \$1,651</b> in year 11</li> <li>Includes <b>only interest</b> and <b>no principal</b> until year 8</li> <li>See <b>AP Table on page 2</b> for details</li> </ul>

---

**Does the loan have these features?**

<b>Prepayment Penalty</b>	<b>NO</b>
<b>Balloon Payment</b>	<b>NO</b>

---

**Projected Payments**

Payment Calculation	Years 1-7	Year 8	Year 9	Years 10-30
Principal & Interest	\$747.29 <small>only interest</small>	\$1,228 min \$1,318 max	\$1,228 min \$1,439 max	\$1,228 min \$1,651 max
Mortgage Insurance	+ 109	+ 109	+ 109	+ 109
Estimated Escrow <small>Amount can increase over time</small>	+ 446	+ 446	+ 446	+ 446
<b>Estimated Total Monthly Payment</b>	<b>\$1,302</b>	<b>\$1,783–\$1,873</b>	<b>\$1,783–\$1,994</b>	<b>\$1,783–\$2,206</b>

---

<b>Estimated Taxes, Insurance &amp; Assessments</b> <small>Amount can increase over time</small>	\$446 a month	<b>This estimate includes</b> <input checked="" type="checkbox"/> Property Taxes <input checked="" type="checkbox"/> Homeowner's Insurance <input type="checkbox"/> Other: <small>See Section G on page 2 for escrowed property costs. You must pay for other property costs separately.</small>	<b>In escrow?</b> <b>YES</b> <b>YES</b>
---	------------------	--	---

---

**Costs at Closing**

<b>Estimated Closing Costs</b>	\$7,296 <small>Includes \$4,241 in Loan Costs + \$3,055 in Other Costs – \$0 in Lender Credits. See page 2 for details.</small>
<b>Estimated Cash to Close</b>	\$26,296 <small>Includes Closing Costs. See Calculating Cash to Close on page 2 for details. <input checked="" type="checkbox"/> From <input type="checkbox"/> To Borrower</small>

---

Visit [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore) for general information and tools.

LOAN ESTIMATE
PAGE 1 OF 3 • LOAN ID # 123456789

Round 7 – Loan Estimate, 7 year Interest Only, 7/1 Adjustable Rate with Costs at Closing, page 2

**Closing Cost Details**

**Loan Costs**

<b>A. Origination Charges</b>	<b>\$1,300</b>
% of Loan Amount (Points)	
Application Fee	\$400
Underwriting Fee	\$900

<b>B. Services You Cannot Shop For</b>	<b>\$790</b>
Appraisal Fee	\$450
Credit Report Fee	\$25
Flood Determination Fee	\$50
Flood Monitoring Fee	\$110
Tax Monitoring Fee	\$115
Tax Status Research Fee	\$40

<b>C. Services You Can Shop For</b>	<b>\$2,151</b>
Pest Inspection Fee	\$105
Survey Fee	\$125
Title – Lender’s Title Policy	\$892
Title – Search Fee	\$644
Title – Settlement Agent Fee	\$385

<b>D. TOTAL LOAN COSTS (A + B + C)</b>	<b>\$4,241</b>
--	----------------

**Adjustable Payment (AP) Table**

<b>Interest Only Payments?</b>	YES for your first 84 payments
<b>Optional Payments?</b>	NO
<b>Step Payments?</b>	NO
<b>Seasonal Payments?</b>	NO
<b>Monthly Principal and Interest Payments</b>	
First Change/Amount	\$1,228–\$1,318 at 85th payment
Subsequent Changes	Every year
Maximum Payment	\$1,651 starting at 121st payment

**Other Costs**

<b>E. Taxes and Other Government Fees</b>	<b>\$225</b>
Recording Fees and Other Taxes	\$225
Transfer Taxes	

<b>F. Prepaids</b>	<b>\$911</b>
Homeowner’s Insurance Premium ( 6 months)	\$537
Mortgage Insurance Premium ( __ months)	
Prepaid Interest ( \$24.91 per day for 15 days @ 4.25%)	\$374
Property Taxes ( __ months)	

<b>G. Initial Escrow Payment at Closing</b>	<b>\$1,109</b>
Homeowner’s Insurance	\$89.50 per month for 2 mo. \$179
Mortgage Insurance	\$109.02 per month for 2 mo. \$218
Property Taxes	\$356.00 per month for 2 mo. \$712

<b>H. Other</b>	<b>\$810</b>
Title – Owner’s Title Policy (optional)	\$810

<b>I. TOTAL OTHER COSTS (E + F + G + H)</b>	<b>\$3,055</b>
---	----------------

<b>J. TOTAL CLOSING COSTS</b>	<b>\$7,296</b>
D + I	\$7,296
Lender Credits	

**Calculating Cash to Close**

Total Closing Costs (J)	\$7,296
Closing Costs Financed (Paid from your Loan Amount)	\$0
Down Payment/Funds from Borrower	\$29,000
Deposit	– \$10,000
Funds for Borrower	\$0
Seller Credits	\$0
Adjustments and Other Credits	\$0
<b>Estimated Cash to Close</b>	<b>\$26,296</b>

**Adjustable Interest Rate (AIR) Table**

Index + Margin	LIBOR + 4%
Initial Interest Rate	4.25%
Minimum/Maximum Interest Rate	4.5%/8%
<b>Change Frequency</b>	
First Change	Beginning of 85th month
Subsequent Changes	Every 12th month after first change
<b>Limits on Interest Rate Changes</b>	
First Change	1%
Subsequent Changes	1%



**Round 7 – Loan Estimate, 7 year Interest Only, 7/1 Adjustable Rate with Costs at Closing, page 3**

**Additional Information About This Loan**

**LENDER** Hornbeam Bank  
**NMLS/ST LICENSE ID**  
**LOAN OFFICER** Joe Smith  
**NMLS/ST LICENSE ID** 12345  
**EMAIL** joesmith@hornbeambank.com  
**PHONE** 123-456-7890

**MORTGAGE BROKER**  
**NMLS/ST LICENSE ID**  
**LOAN OFFICER**  
**NMLS/ST LICENSE ID**  
**EMAIL**  
**PHONE**

**Comparisons**

Use these measures to compare this loan with other loans.

<b>In 5 Years</b>	\$56,212	Total you will have paid in principal, interest, mortgage insurance, and loan costs.
	\$0	Principal you will have paid off.
<b>Annual Percentage Rate (APR)</b>	5.067%	Your costs over the loan term expressed as a rate. This is not your interest rate.
<b>Total Interest Percentage (TIP)</b>	96.20%	The total amount of interest that you will pay over the loan term as a percentage of your loan amount.

**Other Considerations**

- Appraisal** We may order an appraisal to determine the property's value and charge you for this appraisal. We will promptly give you a copy of any appraisal, even if your loan does not close. You can pay for an additional appraisal for your own use at your own cost.
- Assumption** If you sell or transfer this property to another person, we
  - 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.
- Homeowner's Insurance** This loan requires homeowner's insurance on the property, which you may obtain from a company of your choice that we find acceptable.
- Late Payment** If your payment is more than 15 days late, we will charge a late fee of *5% of the monthly principal and interest payment*.
- 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.
- Servicing** We intend
  - to service your loan. If so, you will make your payments to us.
  - to transfer servicing of your loan.

**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 \_\_\_\_\_

**Round 7 – Closing Disclosure, 5 year Negative Amortization, 7/1 Adjustable Rate with Costs at Closing, page 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** \$240,000

**Transaction Information**

**Borrower** John A. and Mary B.  
 123 Anywhere Street  
 Anytown, ST 12345  
**Seller** Steve C. and Amy D.  
 321 Somewhere Drive  
 Anytown, ST 12345  
**Lender** Hornbeam Bank

**Loan Information**

**Loan Term** 30 years  
**Purpose** Purchase  
**Product** 5 Year Negative Amortization,  
 7/1 Adjustable Rate  
**Loan Type**  Conventional  FHA  
 VA   
**Loan ID #** 123456789  
**MIC #** 000654321

Loan Terms		Can this amount increase after closing?
<b>Loan Amount</b>	\$214,000	<b>YES</b> <ul style="list-style-type: none"> <li>• Goes as high as <b>\$236,322</b></li> <li>• Increases until year 6</li> </ul>
<b>Interest Rate</b>	4.125%	<b>YES</b> <ul style="list-style-type: none"> <li>• Adjusts <b>every year</b> starting in year 8</li> <li>• Can go as high as <b>8%</b> in year 10</li> <li>• See <b>AIR Table on page 4</b> for details</li> </ul>
<b>Monthly Principal &amp; Interest</b> <i>See Projected Payments below for your Estimated Total Monthly Payment</i>	\$400.00	<b>YES</b> <ul style="list-style-type: none"> <li>• Adjusts <b>every year</b> starting in year 6</li> <li>• Can go as high as <b>\$1,759</b> in year 10</li> <li>• Includes <b>only interest</b> and <b>no principal</b> until year 6</li> <li>• See <b>AP Table on page 4</b> for details</li> </ul>
<b>Does the loan have these features?</b>		
<b>Prepayment Penalty</b>		<b>NO</b>
<b>Balloon Payment</b>		<b>NO</b>

Projected Payments				
Payment Calculation	Years 1-5	Years 6-7	Year 8	Years 9-30
Principal & Interest	\$400.00 <i>only interest</i>	\$1,263.76	\$1,310 min \$1,389 max	\$1,310 min \$1,759 max
Mortgage Insurance	+ 165.28	+ 165.28	+ 165.28	+ 165.28
Estimated Escrow <i>Amount can increase over time</i>	+ 547.50	+ 547.50	+ 547.50	+ 547.50
<b>Estimated Total Monthly Payment</b>	<b>\$1,112.78</b>	<b>\$1,976.54</b>	<b>\$2,023–\$2,102</b>	<b>\$2,023–\$2,472</b>
<b>Estimated Taxes, Insurance &amp; Assessments</b> <i>Amount can increase over time See page 4 for details</i>	\$697.50 a month	<b>This estimate includes</b> <input checked="" type="checkbox"/> Property Taxes <input checked="" type="checkbox"/> Homeowner's Insurance <input checked="" type="checkbox"/> Other: Homeowner's Association <i>See Escrow Account on page 4 for details. You must pay for other property costs separately.</i>		<b>In escrow?</b> <b>YES</b> <b>YES</b> <b>NO</b>

Costs at Closing	
<b>Closing Costs</b>	\$13,742.87 Includes \$6,396.00 in Loan Costs + \$7,346.87 in Other Costs – \$0 in Lender Credits. See page 2 for details.
<b>Cash to Close</b>	\$27,787.87 Includes Closing Costs. See Calculating Cash to Close on page 3 for details. <input checked="" type="checkbox"/> From <input type="checkbox"/> To Borrower

**Round 7 – Closing Disclosure, 5 year Negative Amortization, 7/1 Adjustable Rate with Costs at Closing, page 2**

<b>Closing Cost Details</b>					
	<b>Borrower-Paid</b>		<b>Seller-Paid</b>		<b>Paid by Others</b>
	At Closing	Before Closing	At Closing	Before Closing	
<b>Loan Costs</b>					
<b>A. Origination Charges</b>					
	<b>\$3,440.00</b>				
01 1 % of Loan Amount (Points)	\$2,140.00				
02 Application Fee	\$400.00				
03 Processing Fee	\$900.00				
04					
05					
06					
07					
08					
<b>B. Services Borrower Did Not Shop For</b>					
	<b>\$2,956.00</b>				
01 Appraisal Fee to John Smith Appraisers Inc.		\$450.00			
02 Credit Report Fee to Information Inc.		\$25.00			
03 Flood Determination Fee to Info Co.	\$50.00				
04 Flood Monitoring Fee to Info Co.	\$110.00				
05 Pest Inspection Fee to Pests Co.	\$115.00				
06 Survey Fee to Surveyors Co.	\$130.00				
07 Tax Monitoring Fee to Info Co.	\$115.00				
08 Tax Status Research Fee to Info Co.	\$40.00				
09 Title – Lender’s Title Policy to Epsilon Title Co.	\$892.00				
10 Title – Search Fee to Epsilon Title Co.	\$644.00				
11 Title – Settlement Agent Fee to Epsilon Title Co.	\$385.00				
<b>C. Services Borrower Did Shop For</b>					
01					
02					
03					
04					
05					
06					
07					
<b>D. TOTAL LOAN COSTS (Borrower-Paid)</b>					
	<b>\$6,396.00</b>				
Loan Costs Subtotals (A + B + C)	\$5,921.00	\$475.00			
<b>Other Costs</b>					
<b>E. Taxes and Other Government Fees</b>					
	<b>\$224.00</b>				
01 Recording Fees Deed: \$112.00 Mortgage: \$112.00	\$224.00				
02 State Transfer Tax to Any County USA			\$2,110.00		
<b>F. Prepays</b>					
	<b>\$4,262.32</b>				
01 Homeowner’s Insurance Premium ( 12 mo.) to Insurance Co.	\$1,170.00				
02 Mortgage Insurance Premium ( mo.)					
03 Prepaid Interest \$24.52 per day from 4/15/13 to 5/1/13	\$392.32				
04 Property Taxes ( 6 mo.) to Any County USA	\$2,700.00				
05					
<b>G. Initial Escrow Payment at Closing</b>					
	<b>\$1,425.55</b>				
01 Homeowner’s Insurance \$97.50 per month for 2 mo.	\$195.00				
02 Mortgage Insurance \$165.28 per month for 2 mo.	\$330.56				
03 Property Taxes \$450.00 per month for 2 mo.	\$900.00				
04					
05					
06					
07					
08 Aggregate Adjustment		- 0.01			
<b>H. Other Costs</b>					
	<b>\$1,435.00</b>				
01 HOA Capital Contribution to HOA Acre Inc.	\$500.00				
02 HOA Processing Fee to HOA Acre Inc.	\$125.00				
03 Home Inspection Fee to Engineers Inc.				\$750.00	
04 Real Estate Commission to Alpha Real Estate Broker			\$5,275.00		
05 Real Estate Commission to Omega Real Estate Broker			\$5,275.00		
06 Structural Inspection Fee to Structural Engineers Inc.				\$1,100.00	
07 Title – Owner’s Title Policy (optional) to Epsilon Title Co.	\$810.00				
08					
<b>I. TOTAL OTHER COSTS (Borrower-Paid)</b>					
	<b>\$7,346.87</b>				
Other Costs Subtotals (E + F + G + H)	\$7,346.87				
<b>J. TOTAL CLOSING COSTS (Borrower-Paid)</b>					
	<b>\$13,742.87</b>				
Closing Costs Subtotals (D + I)	\$13,267.87	\$475.00	\$12,660.00	\$1,850.00	
Lender Credits					

Round 7 – Closing Disclosure, 5 year Negative Amortization, 7/1 Adjustable Rate with Costs at Closing, page 3

**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)	\$7,296.00	\$13,742.87	<b>YES</b> • See <b>Total Loan Costs (D)</b> and <b>Total Other Costs (I)</b> • Increase <b>exceeds legal limits</b> by \$2,140
Closing Costs Paid Before Closing	\$0	– \$475.00	<b>YES</b> • You paid these Closing Costs <b>before closing</b>
Closing Costs Financed (Paid from your Loan Amount)	\$0	– \$3,000.00	<b>YES</b> • You included these Closing Costs in your Loan Amount, which <b>increased your Loan Amount</b>
Down Payment/Funds from Borrower	\$29,000.00	\$29,000.00	<b>NO</b>
Deposit	– \$10,000.00	– \$10,000.00	<b>NO</b>
Funds for Borrower	\$0	\$0	<b>NO</b>
Seller Credits	\$0	\$0	<b>NO</b>
Adjustments and Other Credits	\$0	– \$1,480.00	<b>YES</b> • See details in <b>Sections K and L</b>
<b>Cash to Close</b>	<b>\$26,296.00</b>	<b>\$27,787.87</b>	

**Summaries of Transactions**

Use this table to see a summary of your transaction.

**BORROWER'S TRANSACTION**

**K. Due from Borrower at Closing \$253,347.87**

01	Sale Price of Property	\$240,000.00
02	Sale Price of Any Personal Property Included in Sale	
03	Closing Costs Paid at Closing (J)	\$13,267.87
04		

**Adjustments**

05		
06		
07		

**Adjustments for Items Paid by Seller in Advance**

08	City/Town Taxes	to	
09	County Taxes	to	
10	Assessments	to	
11	HOA Dues	4/15/13 to 4/30/13	\$80.00
12			
13			
14			
15			

**L. Paid Already by or on Behalf of Borrower at Closing \$225,560.00**

01	Deposit	\$10,000.00
02	Loan Amount	\$214,000.00
03	Existing Loan(s) Assumed or Taken Subject to	
04		

05 Seller Credit

**Other Credits**

06		
07		

**Adjustments**

08		
09		
10		
11		

**Adjustments for Items Unpaid by Seller**

12	City/Town Taxes	1/1/13 to 4/14/13	\$1,560.00
13	County Taxes	to	
14	Assessments	to	
15			
16			
17			

**CALCULATION**

Total Due from Borrower at Closing (K)	\$253,347.87
Total Paid Already by or on Behalf of Borrower at Closing (L)	– \$225,560.00
<b>Cash to Close</b> <input checked="" type="checkbox"/> <b>From</b> <input type="checkbox"/> <b>To Borrower</b>	<b>\$27,787.87</b>

**SELLER'S TRANSACTION**

**M. Due to Seller at Closing \$240,080.00**

01	Sale Price of Property	\$240,000.00
02	Sale Price of Any Personal Property Included in Sale	
03		
04		

**Adjustments**

05		
06		
07		
08		

**Adjustments for Items Paid by Seller in Advance**

09	City/Town Taxes	to	
10	County Taxes	to	
11	Assessments	to	
12	HOA Dues	4/15/13 to 4/30/13	\$80.00
13			
14			
15			
16			

**N. Due from Seller at Closing \$174,220.00**

01	Excess Deposit	
02	Closing Costs Paid at Closing (J)	\$12,660.00
03	Existing Loan(s) Assumed or Taken Subject to	
04	Payoff of First Mortgage Loan	\$160,000.00
05	Payoff of Second Mortgage Loan	
06		
07		

08 Seller Credit

09		
10		
11		
12		
13		

**Adjustments for Items Unpaid by Seller**

14	City/Town Taxes	1/1/13 to 4/14/13	\$1,560.00
15	County Taxes	to	
16	Assessments	to	
17			
18			
19			

**CALCULATION**

Total Due to Seller at Closing (M)	\$240,080.00
Total Due from Seller at Closing (N)	– \$174,220.00
<b>Cash</b> <input type="checkbox"/> <b>From</b> <input checked="" type="checkbox"/> <b>To Seller</b>	<b>\$65,860.00</b>

## Round 7 – Closing Disclosure, 5 year Negative Amortization, 7/1 Adjustable Rate with Costs at Closing, page 4

### 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.

#### Adjustable Payment (AP) Table

<b>Interest Only Payments?</b>	YES for your first 60 payments
<b>Optional Payments?</b>	YES for your first 60 payments
<b>Step Payments?</b>	YES for your first 60 payments
<b>Seasonal Payments?</b>	NO
<b>Monthly Principal and Interest Payments</b>	
First Change/Amount	\$1,310 – \$1,390 at 61st payment
Subsequent Changes	Every year
Maximum Payment	\$1,759 starting at 121st payment

##### 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	\$6,570.00	Estimated total amount over year 1 for your escrowed property costs: <i>Homeowner's Insurance</i> <i>Property Taxes</i>
Non-Escrowed Property Costs over Year 1	\$1,800.00	Estimated total amount over year 1 for your non-escrowed property costs: <i>HOA Dues</i>  You may have other property costs.
Initial Escrow Payment	\$1,425.55	A cushion for the escrow account you pay at closing. See Section G on page 2.
Monthly Escrow Payment	\$547.50	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.

#### Adjustable Interest Rate (AIR) Table

Index + Margin	LIBOR + 4%
Initial Interest Rate	4.125%
Minimum/Maximum Interest Rate	4.5%/8%
<b>Change Frequency</b>	
First Change	Beginning of 85th month
Subsequent Changes	Every 12th month after first change
<b>Limits on Interest Rate Changes</b>	
First Change	1%
Subsequent Changes	1%

## Round 7 – Closing Disclosure, 5 year Negative Amortization, 7/1 Adjustable Rate with Costs at Closing, page 5

### Loan Calculations

<b>Total of Payments.</b> Total you will have paid after you make all payments of principal, interest, mortgage insurance, and loan costs, as scheduled.	\$461,762.42
<b>Finance Charge.</b> The dollar amount the loan will cost you.	\$222,309.23
<b>Amount Financed.</b> The loan amount available after paying your upfront finance charge.	\$210,012.12
<b>Annual Percentage Rate (APR).</b> Your costs over the loan term expressed as a rate. This is not your interest rate.	5.335%
<b>Total Interest Percentage (TIP).</b> The total amount of interest that you will pay over the loan term as a percentage of your loan amount.	90%



**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/learnmore](http://www.consumerfinance.gov/learnmore).

### 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.

### Contact Information

	Lender	Mortgage Broker	Real Estate Broker (B)	Real Estate Broker (S)	Settlement Agent
<b>Name</b>	Hornbeam Bank		Omega Real Estate Broker Inc.	Alpha Real Estate Broker Co.	Epsilon Title Co.
<b>Address</b>	4321 Random Blvd. Somecity, ST 12340		789 Local Lane Sometown, ST 12345	987 Suburb Ct. Someplace, ST 12340	123 Commerce Pl. Somecity, ST 12344
<b>NMLS ID</b>			Z765416	Z61456	Z61616
<b>ST License ID</b>					
<b>Contact</b>	Joe S.		Samuel G.	Joseph C.	Sarah A.
<b>Contact NMLS ID</b>	12345		P16415	P51461	PT1234
<b>Contact ST License ID</b>					
<b>Email</b>	joesmith@hornbeambank.com		sam@omegare.biz	joe@alphare.biz	sarah@epsilontitle.com
<b>Phone</b>	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

Round 7 – Loan Estimate, Refinance, Cash Back with Costs at Closing, page 1

## FIR BANK

4321 Random Boulevard • Somecity, ST 12340

Save this Loan Estimate to compare with your Closing Disclosure.

### Loan Estimate

**DATE ISSUED** 2/15/2013  
**APPLICANTS** John A. and Mary B.  
 123 Anywhere Street  
 Anytown, ST 12345  
**PROPERTY** 123 Anywhere Street  
 Anytown, ST 12345  
**EST. PROP. VALUE** \$180,000

**LOAN TERM** 30 years  
**PURPOSE** Refinance  
**PRODUCT** Fixed Rate  
**LOAN TYPE**  Conventional  FHA  VA  \_\_\_\_\_  
**LOAN ID #** 123456789  
**RATE LOCK**  NO  YES, until 4/16/2013 at 5:00 p.m. EDT  
*Before closing, your interest rate, points, and lender credits can change unless you lock the interest rate. All other estimated closing costs expire on 3/22/2013 at 5:00 p.m. EDT*

Loan Terms	Can this amount increase after closing?	
<b>Loan Amount</b>	\$150,000	<b>NO</b>
<b>Interest Rate</b>	4.125%	<b>NO</b>
<b>Monthly Principal &amp; Interest</b> <i>See Projected Payments below for your Estimated Total Monthly Payment</i>	\$726.97	<b>NO</b>
<b>Does the loan have these features?</b>		
<b>Prepayment Penalty</b>	<b>NO</b>	
<b>Balloon Payment</b>	<b>NO</b>	

Projected Payments		
Payment Calculation	Years 1-4	Years 5-30
Principal & Interest	\$726.97	\$726.97
Mortgage Insurance	+ 82	+ —
Estimated Escrow <i>Amount can increase over time</i>	+ 206	+ 206
<b>Estimated Total Monthly Payment</b>	<b>\$1,015</b>	<b>\$933</b>
<b>Estimated Taxes, Insurance &amp; Assessments</b> <i>Amount can increase over time</i>	\$206 a month	<b>This estimate includes</b> <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>
		<b>In escrow?</b> <b>YES</b> <b>YES</b>

Costs at Closing	
<b>Estimated Closing Costs</b>	\$5,691 Includes \$3,641 in Loan Costs + \$2,050 in Other Costs – \$0 in Lender Credits. See page 2 for details.
<b>Estimated Cash to Close</b>	\$24,309 Includes Closing Costs. See Calculating Cash to Close on page 2 for details. <input type="checkbox"/> From <input checked="" type="checkbox"/> To Borrower

Visit [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore) for general information and tools.

Round 7 – Loan Estimate, Refinance, Cash Back with Costs at Closing, page 2

**Closing Cost Details**

**Loan Costs**

<b>A. Origination Charges</b>	<b>\$2,250</b>
1 % of Loan Amount (Points)	\$1,500
Application Fee	\$750

**B. Services You Cannot Shop For** **\$630**

Appraisal Fee	\$410
Credit Report Fee	\$35
Flood Determination Fee	\$25
Flood Monitoring Fee	\$50
Tax Monitoring Fee	\$65
Tax Status Research Fee	\$45

**C. Services You Can Shop For** **\$761**

Pest Inspection Fee	\$75
Title – Insurance Binder	\$35
Title – Lender’s Title Policy	\$251
Title – Settlement Agent Fee	\$150
Title – Title Search	\$250

**D. TOTAL LOAN COSTS (A + B + C)** **\$3,641**

**Other Costs**

<b>E. Taxes and Other Government Fees</b>	<b>\$60</b>
Recording Fees and Other Taxes	\$60
Transfer Taxes	

**F. Prepays** **\$1,577**

Homeowner’s Insurance Premium ( <u>6</u> months)	\$605
Mortgage Insurance Premium ( <u>1</u> months)	\$82
Prepaid Interest ( \$17.19 per day for 15 days @ 4.125%)	\$258
Property Taxes ( <u>6</u> months)	\$632

**G. Initial Escrow Payment at Closing** **\$413**

Homeowner’s Insurance	\$100.83 per month for 2 mo.	\$202
Mortgage Insurance	per month for mo	
Property Taxes	\$105.30 per month for 2 mo.	\$211

**H. Other** **\$0**

**I. TOTAL OTHER COSTS (E + F + G + H)** **\$2,050**

**J. TOTAL CLOSING COSTS** **\$5,691**

D + I	\$5,691
Lender Credits	

**Calculating Cash to Close**

Loan Amount	\$150,000
Total Closing Costs (J)	– \$5,691
Estimated Total Payoffs and Payments	– \$120,000

Estimated Cash to Close  From  To Borrower **\$24,309**

Estimated Closing Costs Financed (Paid from your Loan Amount)	\$5,691
--	---------



Round 7 – Loan Estimate, Refinance, Cash Back with Costs at Closing, page 3

**Additional Information About This Loan**

**LENDER** Fir Bank  
**NMLS/ST LICENSE ID**  
**LOAN OFFICER** Joe Smith  
**NMLS/ST LICENSE ID** 12345  
**EMAIL** joesmith@firbank.com  
**PHONE** 123-456-7890

**MORTGAGE BROKER**  
**NMLS/ST LICENSE ID**  
**LOAN OFFICER**  
**NMLS/ST LICENSE ID**  
**EMAIL**  
**PHONE**

**Comparisons**

Use these measures to compare this loan with other loans.

<b>In 5 Years</b>	\$51,305 Total you will have paid in principal, interest, mortgage insurance, and loan costs. \$14,057 Principal you will have paid off.
<b>Annual Percentage Rate (APR)</b>	4.423% Your costs over the loan term expressed as a rate. This is not your interest rate.
<b>Total Interest Percentage (TIP)</b>	74.65% The total amount of interest that you will pay over the loan term as a percentage of your loan amount.

**Other Considerations**

- Appraisal** We may order an appraisal to determine the property's value and charge you for this appraisal. We will promptly give you a copy of any appraisal, even if your loan does not close. You can pay for an additional appraisal for your own use at your own cost.
- Assumption** If you sell or transfer this property to another person, we  
 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.
- Homeowner's Insurance** This loan requires homeowner's insurance on the property, which you may obtain from a company of your choice that we find acceptable.
- Late Payment** If your payment is more than 15 days late, we will charge a late fee of 5% of the monthly principal and interest payment.
- Loan Acceptance** You do not have to accept this loan because you have received this form or signed a loan application.
- Liability after Foreclosure** Taking this loan could end any state law protection you may currently have against liability for unpaid debt if your lender forecloses on your home. If you lose this protection, you may have to pay any debt remaining even after foreclosure. You may want to consult a lawyer for more information.
- 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.
- Servicing** We intend  
 to service your loan. If so, you will make your payments to us.  
 to transfer servicing of your loan.

Round 7 – Closing Disclosure, Refinance, Cash Owed with Costs at Closing, page 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** Zeta Title  
**File #** 12-3456  
**Property** 123 Anywhere Street  
 Anytown, ST 12345  
**Appraised Prop. Value** \$180,000

### Transaction Information

**Borrower** John A. and Mary B.  
 123 Anywhere Street  
 Anytown, ST 12345  
**Lender** Fir Bank

### Loan Information

**Loan Term** 30 years  
**Purpose** Refinance  
**Product** Fixed Rate  
**Loan Type**  Conventional  FHA  
 VA   
**Loan ID #** 123456789  
**MIC #** 009874513

Loan Terms	Can this amount increase after closing?	
<b>Loan Amount</b>	\$150,000	<b>NO</b>
<b>Interest Rate</b>	4.125%	<b>NO</b>
<b>Monthly Principal &amp; Interest</b> <i>See Projected Payments below for your Estimated Total Monthly Payment</i>	\$726.97	<b>NO</b>
<b>Does the loan have these features?</b>		
<b>Prepayment Penalty</b>	<b>NO</b>	
<b>Balloon Payment</b>	<b>NO</b>	

Projected Payments	Years 1-4		Years 5-30	
<b>Payment Calculation</b>				
Principal & Interest		\$726.97		\$726.97
Mortgage Insurance	+	82.35	+	—
Estimated Escrow <i>Amount can increase over time</i>	+	206.13	+	206.13
<b>Estimated Total Monthly Payment</b>	<b>\$1,015.45</b>		<b>\$933.10</b>	
<b>Estimated Taxes, Insurance &amp; Assessments</b> <i>Amount can increase over time See page 4 for details</i>	\$206.13 a month	<b>This estimate includes</b> <input checked="" type="checkbox"/> Property Taxes <input checked="" type="checkbox"/> Homeowner's Insurance <input type="checkbox"/> Other: <i>See Escrow Account on page 4 for details. You must pay for other property costs separately.</i>		<b>In escrow?</b> <b>YES</b> <b>YES</b>

Costs at Closing		
<b>Closing Costs</b>	\$6,156.60	Includes \$3,800.50 in Loan Costs + \$2,856.10 in Other Costs – \$500 in Lender Credits. <i>See page 2 for details.</i>
<b>Cash to Close</b>	\$6,716.60	Includes Closing Costs. <i>See Calculating Cash to Close on page 3 for details.</i> <input checked="" type="checkbox"/> From <input type="checkbox"/> To Borrower

Round 7 – Closing Disclosure, Refinance, Cash Owed with Costs at Closing, page 2

POST-PROPOSAL CONSUMER TESTING OF THE SPANISH AND REFINANCE INTEGRATED TILA-RESPA DISCLOSURES

**Closing Cost Details**

Loan Costs	Borrower-Paid		Paid by Others
	At Closing	Before Closing	
<b>A. Origination Charges</b>	<b>\$2,250.00</b>		
01 1 % of Loan Amount (Points)	\$1,500.00		
02 Application Fee	\$750.00		
03			
04			
05			
06			
07			
08			
<b>B. Services Borrower Did Not Shop For</b>	<b>\$620.00</b>		
01 Appraisal Fee to John Smith Appraisers Inc.		\$405.00	
02 Credit Report Fee to Information Inc.		\$35.00	
03 Flood Determination Fee to Info Co.	\$25.00		
04 Flood Monitoring Fee to Info Co.	\$45.00		
05 Tax Monitoring Fee to Info Co.	\$65.00		
06 Tax Status Research Fee to Info Co.	\$45.00		
07			
08			
09			
10			
<b>C. Services Borrower Did Shop For</b>	<b>\$930.50</b>		
01 Pest Inspection Fee to Pests Co.	\$80.00		
02 Title – Insurance Binder to Epsilon Title Co.	\$50.00		
03 Title – Lender’s Title Policy to Epsilon Title Co.	\$250.50		
04 Title – Settlement Agent Fee to Epsilon Title Co.	\$350.00		
05 Title – Title Search to Epsilon Title Co.	\$200.00		
06			
07			
08			
<b>D. TOTAL LOAN COSTS (Borrower-Paid)</b>	<b>\$3,800.50</b>		
Loan Costs Subtotals (A + B + C)	\$3,360.50	\$440.00	
<b>Other Costs</b>			
<b>E. Taxes and Other Government Fees</b>	<b>\$80.00</b>		
01 Recording Fees Deed: Mortgage: \$80.00	\$80.00		
02 State Transfer Tax			
<b>F. Prepays</b>	<b>\$2,199.15</b>		
01 Homeowner’s Insurance Premium ( 12 mo.) to Insurance Co.	\$1,209.96		
02 Mortgage Insurance Premium ( 1 mo.) to MI Co.	\$82.35		
03 Prepaid Interest \$17.19 per day from 4/15/2013 to 5/1/2013	\$275.04		
04 Property Taxes ( 6 mo.) to Any County USA	\$631.80		
05			
<b>G. Initial Escrow Payment at Closing</b>	<b>\$576.95</b>		
01 Homeowner’s Insurance \$100.83 per month for 2 mo.	\$201.66		
02 Mortgage Insurance \$82.35 per month for 2 mo.	\$164.70		
03 Property Taxes \$105.30 per month for 2 mo.	\$210.60		
04			
05			
06			
07			
08 Aggregate Adjustment	– \$0.01		
<b>H. Other</b>			
01			
02			
03			
04			
05			
06			
07			
08			
<b>I. TOTAL OTHER COSTS (Borrower-Paid)</b>	<b>\$2,856.10</b>		
Other Costs Subtotals (E + F + G + H)	\$2,856.10		
<b>J. TOTAL CLOSING COSTS (Borrower-Paid)</b>	<b>\$6,156.60</b>		
Closing Costs Subtotals (D + I)	\$6,216.60	\$440.00	
Lender Credits	– \$500.00		

Round 7 – Closing Disclosure, Refinance, Cash Owed with Costs at Closing, page 3

**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	\$124,000.00
02 Beta Card Inc. to pay down credit card balance	\$5,000.00
03 Bob's Home Improvement to pay off mechanic's lien	\$12,000.00
04 State of Anywhere to pay off tax lien	\$10,000.00
05	
06	
07	
08	
09	
10	
11	
12	
13	
14	
15	
<b>K. TOTAL PAYOFFS AND PAYMENTS</b>	\$151,000.00

**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	<b>NO</b>
Total Closing Costs (J)	– \$5,691.00	– \$6,156.60	<b>YES</b> • See <b>Total Loan Costs (D)</b> and <b>Total Other Costs (I)</b>
Closing Costs Paid Before Closing	\$0	\$440.00	<b>YES</b> • You paid these Closing Costs <b>before closing</b>
Total Payoffs and Payments (K)	– \$120,000.00	– \$151,000.00	<b>YES</b> • See <b>Payoffs and Payments (K)</b>
<b>Cash to Close</b>	\$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	

## 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  
123 Anywhere Street, 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: <i>Property Taxes, Homeowner's Insurance</i>
Non-Escrowed Property Costs over Year 1		Estimated total amount over year 1 for your non-escrowed property costs:  You may have other property costs.
Initial Escrow Payment	\$576.95	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.

## Round 7 – Closing Disclosure, Refinance, Cash Owed with Costs at Closing, page 5

### Loan Calculations

<b>Total of Payments.</b> Total you will have paid after you make all payments of principal, interest, mortgage insurance, and loan costs, as scheduled.	\$269,574.50
<b>Finance Charge.</b> The dollar amount the loan will cost you.	\$116,884.00
<b>Amount Financed.</b> The loan amount available after paying your upfront finance charge.	\$148,367.91
<b>Annual Percentage Rate (APR).</b> Your costs over the loan term expressed as a rate. This is not your interest rate.	4.404%
<b>Total Interest Percentage (TIP).</b> The total amount of interest that you will pay over the loan term as a percentage of your loan amount.	74.66%



**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/learnmore](http://www.consumerfinance.gov/learnmore).

### 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.

### Contact Information

	Lender	Mortgage Broker	Settlement Agent
<b>Name</b>	Fir Bank		Zeta Title
<b>Address</b>	4321 Random Blvd. Somecity, ST 12340		321 Uptown Dr. Anytown, ST 12345
<b>NMLS ID</b>			P76821
<b>ST License ID</b>			
<b>Contact</b>	Joe S.		Joan T.
<b>Contact NMLS ID</b>	12345		
<b>Contact ST License ID</b>	56789		
<b>Email</b>	joesmith@firbank.com		joan@zt.biz
<b>Phone</b>	123-456-7890		555-321-9876

### 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

