GOOD FAITH ESTIMATE

Applicants:
Property Addr:
Prepared By:

Application No:
Date Prepared: **00/00/X00X**
Loan Program:

The information provided below reflects estimates of the charges which you are likely to incur at the settlement of your loan. The fees listed are estimates-actual charges may be more or less. Your transaction may not involve a fee for every item listed. The numbers listed beside the estimates generally correspond to the numbered lines contained in the HUD-1 settlement statement which you will be receiving at settlement. The HUD-1 settlement statement will show you the actual cost for items paid at settlement.

Total Loan Amount $ Interest Rate: % Term: mths

800	**ITEMS PAYABLE IN CONNECTION WITH LOAN: Lender & Broker Fee**	**PFC S F POC**
801	Loan Origination Fee 1% OR TBD	
802	Loan Discount Bank Point Fee	
803	Appraisal Fee $300 to $750 TBD Base on Property Value	
804	Credit Report $50	
805	Lender's Inspection Fee or Apraisal Review Fee	
808	Mortgage Broker Fee TBD	
809	Tax Related Service Fee $75	
810	Processing Fee, Administration Fee $495	
811	Underwriting Fee and Loan Doc Fee $375 + $250	
812	Wire Transfer & Delivery/Courier Fee $45 + $35	

1100	**Escrow and TITLE CHARGES:**	**PFC S F POC**
1101	Escrow Fee: Refi_$450 Purshase$2.00/$1,000+BaseFee$200	
1105	Document Preparation Fee $150	
1106	Notary Fees, Messenger Fee, Wire Service Fee TBD	
1107	Attorney Fees & Loan Tie-in Fee $150	
1108	Title Insurance & Endorsement Fee TBD	

1200	**GOVERNMENT RECORDING & TRANSFER CHARGES:**		**PFC S F POC**
1201	Recording Fees:	$	
1202	City/County Tax/Stamps:		
1203	State Tax/Stamps:		

1300	**ADDITIONAL SETTLEMENT CHARGES:**	**PFC S F POC**
1302	Pest Inspection ,HOA Transfer Fee, Association Fee	

Estimated Closing Costs

900	**ITEMS REQUIRED BY LENDER TO BE PAID IN ADVANCE:**				**PFC S F POC**
901	Interest for	days @ $	per day	$	
902	Mortgage Insurance Premium				
903	Hazard Insurance Premium				
904					
905	VA Funding Fee				

1000	**RESERVES DEPOSITED WITH LENDER: Impounds**				**PFC S F POC**
1001	Hazard Insurance Premiums	months @ $	per month	$	
1002	Mortgage Ins. Premium Reserves	months @ $	per month		
1003	School Tax	months @ $	per month		
1004	Taxes and Assessment Reserves	months @ $	per month		
1005	Flood Insurance Reserves	months @ $	per month		
		months @ $	per month		
		months @ $	per month		

Estimated Prepaid Items/Reserves

TOTAL ESTIMATED SETTLEMENT CHARGES

TOTAL ESTIMATED FUNDS NEEDED TO CLOSE:			**TOTAL ESTIMATED MONTHLY PAYMENT:**
Purchase Price/Payoff (+)		New First Mortgage(-)	Principal & Interest
Loan Amount (-)	**TBD**	Sub Financing(-)	Other Financing (P & I)
Est. Closing Costs (+)	**TBD**	New 2nd Mtg Closing Costs(+)	Hazard Insurance
Est. Prepaid Items/Reserves (+)	**TBD**		Real Estate Taxes
Amount Paid by Seller (-)			Mortgage Insurance
			Homeowner Assn. Dues
			Other
Total Est. Funds needed to close	**TBD**		**Total Monthly Payment TBD**

These estimates are provided pursuant to the Real Estate Settlement Procedures Act of 1974, as amended (RESPA). Additional information can be found in the HUD Special Information Booklet, which is to be provided to you by your mortgage broker or lender, if your application is to purchase residential real property and the lender will take a first lien on the property. The undersigned acknowledges receipt of the booklet "Settlement Costs," and if applicable the Consumer Handbook on ARM Mortgages.

Applicant Date Applicant Date

Form

When you apply for a mortgage, the government requires your lender to give you a “Good Faith Estimate” (GFE) within three days of your application. This document sets out all the costs associated with the mortgage, and most experts recommend against committing to a loan before seeing it.

A GFE is also helpful because it allows you to compare the real costs of competing mortgage offers. However, it can be tricky to understand -- especially if different lenders don’t list the same costs in the same way, or if the costs are incomplete or inaccurate. So, it pays to take a close look at your Good Faith Estimate when it arrives. Here are some of the things to look out for.

Interest rate and points
A GFE shows your interest rate and any discount points you can pay at closing. Make sure you understand that paying discount points will buy you a lower interest rate and lower payments, but it will take many months before the savings make up for the fee.

Lender’s fees
The long list includes the appraisal fee, credit report fee, application fee, mortgage broker’s fee, and interest rate lock-in fee, if any. Watch for big differences between lenders -- no fees should vary widely. Also, watch for extra fees applied only by certain lenders, or missing fees that may not have been included but are sure to appear later. Ask a lender about any fee that seems out of line.

Title and transfer charges
The closing or escrow fee, title search and title insurance fees, and government taxes are pretty much standard. However, you might get a better rate (called a reissue rate) on the title insurance if it has been less than five years since the previous owner took out a policy on the property. And you don’t have to accept the lender’s title insurance company or attorney; you may try to find one who offers a lower price. Some states set the price of title insurance.

Prepaid interest
One item paid in advance is the interest on the loan for the period before the first payment date. Putting your closing date close to the end of the month can minimize this charge.

Insurance
A GFE may specify a figure for home or hazard insurance but it may be less expensive to arrange your own. Also, if you are being charged for mortgage insurance or flood insurance make sure you know why.

Fees may rise
It’s important to remember that a GFE is only an estimate. The figures quoted could rise by 10 percent to 15 percent, or even more, by closing day. This may

happen because a lender has simply applied the standard rates of the service companies it deals with, and then had to adjust them later. But some lenders could also be understating their fees. Unfortunately, the government doesn't impose any penalties on lenders who issue an inaccurate GFE.

Fee lock-in
You can protect yourself from nasty surprises by asking your lender to quote you the exact final costs, or to "lock in" its fees. Or you can look for one of the "bundled" fee packages now offered by some lenders -- these might offer a cheaper overall price.

Truth in Lending Statement
Along with the Good Faith Estimate, a lender will also give you a Truth in Lending (TIL) disclosure form. This gives you the Annual Percentage Rate (APR) on your mortgage, which takes into account discount points, mortgage insurance, and other fees on top of the basic interest rate.

The Truth in Lending form also lists the total finance fees, the amount financed, the total amount you'll pay over the life of the loan, the total number and amount of your payments, and when they're due each month. And it contains other important details, such as whether the mortgage is assumable if you sell the home, and whether there is a penalty for prepaying the mortgage; if the form says you "may" have to pay a penalty, it means you probably will.

Most important, understand that the figures in the TIL form can also change. If your interest rate or any of the fees go up by closing day, so will your APR and the overall cost of your loan.