

## Sample Current Mortgage Disclosure Forms

The current mortgage disclosure forms tested in the study consisted of the Truth-in-Lending Act (“TILA”) statement required for closed-end, fixed-rate residential mortgages under the Truth in Lending Act, and the Good Faith Estimate of Settlement Costs (“GFE”) required under the Real Estate Settlement Procedures Act (“RESPA”). The GFE used in the tests was an enhanced version that included information beyond that required by the RESPA regulations, such as the amount of money borrowed, the interest rate, the total monthly payment amount, an itemization of the monthly payment, the cash due at closing, and the total settlement charges. Many lenders currently use some variation of an enhanced GFE that goes beyond the regulatory requirements. The GFE used in the tests followed this practice so that it more closely reflected the information that many consumers actually receive. The use of an enhanced GFE implies that the test results understate problems that consumers may have with a GFE that merely complies with the regulations. A sample of the current disclosure forms tested in study is presented below.

Proprietary form used in the consumer testing

FEDERAL TRUTH-IN LENDING DISCLOSURE STATEMENT

For use with Fixed-Rate, GPM, Balloon Mortgage,  
Adjustable or Variable Rate Loans

Date: 10/14/05  
 Loan No.: 26457  
 Borrowers: James and Clara Borrower  
 Property  
 Location: 123 Your Street  
Hometown, VA 22189

ANNUAL PERCENTAGE RATE	FINANCE CHARGE	Amount Financed	Total of Payments
The cost of your credit as a yearly rate	The dollar amount the credit will cost you	The amount of credit provided to you or on your behalf	The amount you will have paid after you have made all payments as scheduled
6.88 %	\$ 129,059.36	\$ 186,147.50	\$ 315,206.86

You have the right to receive at this time an itemization of the Amount Financed.  
 I want an itemization  I do not want an itemization

Your payment schedule will be:

Number of Payments	Amount of Payments	When Payments Are Due
119	\$ 1,049.11	Monthly beginning 12/01/05 and ending 10/01/15
1	\$ 190,362.54	11/01/15
	\$	
	\$	
	\$	
	\$	
	\$	

Variable Rate:  This loan has a Variable Rate Feature. Variable Rate Disclosures have been provided to you earlier.

This obligation has a demand Feature.

Insurance: Credit life insurance and credit disability insurance are not required to obtain credit, and will not be provided unless you sign and agree to pay the additional cost. No such insurance will be in force until you have completed an application, the insurance company has issued the policy, the effective date of that policy has arrived and the required premium has been paid.

Type	Premium	Term	Signature
Credit Life	\$ 3,900.00	10 years	I want to apply for credit life insurance. _____ SIGNATURE
Credit Disability	\$ 2,330.00	10 years	I want to apply for credit disability insurance. _____ SIGNATURE
Credit Life and Credit Disability	\$		I want to apply for credit life and disability insurance. _____ SIGNATURE

You may obtain property insurance from anyone you want that is acceptable to this institution. If you get the insurance from \_\_\_\_\_ you will pay \$ \_\_\_\_\_ for a term of \_\_\_\_\_

Security: You are giving a security interest in:

- the property being purchased  
 the property located at 123 Your St., Hometown, VA 22189

Late Charge: If payment is late, you will be charged \$ \_\_\_\_\_ / \_\_\_\_\_ 5.00 % of the payment.

Prepayment: If you pay off early, you

- may  will not have to pay a penalty.  
 may  will not be entitled to a refund of part of the finance charge.

Assumption: Someone buying your home

- cannot assume the remainder of the mortgage on the original terms.  
 may, subject to conditions, be allowed to assume the remainder of the mortgage on the original terms.

A deposit balance  is  is not required. The Annual Percentage Rate does not take into account your required deposit.

See your contract documents for any additional information about nonpayment, default, any required repayment in full before the scheduled date, and prepayment refunds and penalties.

e means an estimate \_\_\_\_\_

I/We hereby acknowledge receipt of this disclosure.

\_\_\_\_\_/\_\_\_\_\_  
 \_\_\_\_\_/\_\_\_\_\_  
 DATE  
 DATE  
 Prepared by: \_\_\_\_\_  
 TITLE

Proprietary form used in the consumer testing

Lender: **FS Mortgage Company**  
 Address: **456 Main Street**  
**Mortgage town, VA 22189**  
 Applicant(s): **James and Clara Borrower**  
 Property Address: **123 Your Street**  
**Hometown, VA 22189**

**GOOD FAITH ESTIMATE**

Sales Price:  
 Base Loan Amount: **\$181,655.00**  
 Total Loan Amount: **\$189,313.43**  
 Type of Loan: **Fixed Rate Interest-Only Balloon**  
 Date Prepared: **10/14/05**  
 Rate: **6.65%** Term: **10 Year**

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 - the 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 or HUD-1A settlement statement that you will be receiving at settlement. The HUD-1 or HUD-1A settlement statement will show you the actual cost for items paid at settlement.

<b>800 ITEMS PAYABLE IN CONNECTION WITH LOAN:</b>		<b>1100 TITLE CHARGES:</b>	
801 Loan Origination Fee ( %)	\$ <b>1,900.00</b>	1101 Closing or Escrow Fee	\$ <b>275.00</b>
802 Loan Discount Fee ( %)	\$	1102 Abstract or Title Search	\$ <b>225.00</b>
803 Appraisal Fee	\$ <b>150.00</b>	1103 Title Examination	\$
804 Credit Report	\$	1104 Title Insurance Binder	\$
805 Lender's Inspection Fee	\$	1105 Document Preparation Fee	\$ <b>125.00</b>
806 Mortgage Insurance Application Fee	\$	1106 Notary Fee	\$ <b>40.00</b>
807 Assumption Fee	\$	1107 Attorney Fees	\$
808 Mortgage Broker Fee	\$	1108 Title Insurance	\$ <b>675.00</b>
809 CLO Access Fee	\$	<b>Title Binder</b>	\$ <b>50.00</b>
810 Tax Related Service Fee	\$ <b>50.00</b>		\$
<b>Administrative Fee</b>	\$ <b>625.00</b>		\$
<b>Doc Prep Fee</b>	\$ <b>150.00</b>		\$
<b>Courier</b>	\$ <b>75.00</b>		\$
	\$	<b>1200 GOVERNMENT RECORDING &amp; TRANSFER CHARGES:</b>	
	\$	1201 Recording Fees:	\$ <b>50.00</b>
	\$	1202 City/County Tax/Stamps:	\$ <b>100.00</b>
<b>900 ITEMS REQUIRED BY LENDER TO BE PAID IN ADVANCE:</b>		1203 State Tax/Stamps:	\$ <b>250.00</b>
901 Interest for 8 day @\$ 34.4914 per day	\$ <b>275.93</b>	<b>County Tax</b>	\$ <b>275.00</b>
902 Mortgage Insurance Premium	\$		\$
903 Hazard Insurance Premium	\$ <b>720.00</b>		\$
	\$		\$
	\$	<b>1300 ADDITIONAL SETTLEMENT CHARGES:</b>	
	\$	1301 Survey	\$ <b>175.00</b>
<b>1000 RESERVES DEPOSITED WITH LENDER:</b>		1302 Pest Inspection	\$
1001 Haz Ins Prem 2 months @\$	\$ <b>60.00</b>	<b>Flood Certification</b>	\$ <b>40.00</b>
1004 Tax & Assmt Res 9 months @\$	\$ <b>145.83</b>		\$
	\$ <b>1,312.50</b>		\$
	\$		\$
	\$		\$
	\$	<b>TOTAL ESTIMATED SETTLEMENT CHARGES</b>	\$ <b>7,658.43</b>

"L" designates those costs to be paid by Lender.

<b>TOTAL ESTIMATED FUNDS NEEDED TO CLOSE:</b>		<b>TOTAL ESTIMATED MONTHLY PAYMENT:</b>	
Downpayment	\$	Principal & Interest	\$ <b>1,049.11</b>
Est. Closing Costs	\$	Real Estate Taxes	\$ <b>145.83</b>
Est. Prepaid Items/Reserves	\$	Flood & Hazard Insurance	\$ <b>60.00</b>
OTHER:	\$	Mortgage Insurance	\$
<b>TOTAL EST. FUNDS NEEDED TO CLOSE</b>	\$ <b>0.00</b>		\$
		<b>TOTAL MONTHLY PAYMENT</b>	\$ <b>1,254.95</b>

THIS SECTION TO BE COMPLETED BY LENDER ONLY IF A PARTICULAR PROVIDER OF SERVICE IS REQUIRED. Use of the particular provider is required and the estimate is based on charges of the provider.

ITEM NO.	NAME & ADDRESS OF PROVIDER	TELEPHONE NO.	NATURE OF RELATIONSHIP

These estimates are provided pursuant to the Real Estate Settlement Procedures Act of 1974, as amended (RESPA). A 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 the Consumer Handbook on ARM Mortgages, if applicable.

Applicant	Date	Applicant	Date
Applicant	Date	Applicant	Date

This Good Faith Estimate is being provided by no lender has yet been obtained.

, a mortgage broker, and

"S" designates those costs to be paid by Seller.