

How to Complete Your GFE

ClearPoint Funding Guide to Completing your GFE:

- **Required at Time of Submission**
- **Check Your Details**
- **Check Your Dates**
- **Loan Summary Data**
- **Origination Charges**
- **Charges For All Other Settlement Services**
- **Escrow, Interest and Homeowners Insurance Charges**
- **Trade Off Table**



Required at Time of Submission

- Initial GFE provided to the borrower within 3 business days of application and itemization of fees – can be broker's or CPF's fee sheet.
- If applicable, any re-disclosed GFE's and change of circumstance letters provided to the borrower.
- Service Provider List

Check Your Details – Page 1 of GFE



OMB Approval No. 2502-0265

Good Faith Estimate (GFE)

1. Name of Originator	Test2 LoanOfficer, AAA BestTest Broker	2. Borrower	Andy America, Amy America
Originator Address	123 main street worchester, MA 01606	Property Address	4321 Main Street Boston, MA 02111
Originator Phone Number	508-368-7900	3. Date of GFE	12/23/2011
Originator Email	cducharme@clearpointfunding.com		

Purpose

This GFE gives you an estimate of your settlement charges and loan terms if you are approved for this loan. For more information, see HUD's *Special Information Booklet* on settlement charges, your *Truth-in-Lending Disclosures*, and other consumer information at www.hud.gov/respa. If you decide you would like to proceed with this loan, contact us.

Shopping for your loan

Only you can shop for the best loan for you. Compare this GFE with other loan offers, so you can find the best loan. Use the shopping chart on page 3 to compare all the offers you receive.

Check Your Details:

1. Is the originators name, company name, address, phone number and email address complete and consistent with file documents?
2. Is the borrower/borrowers name correct and consistent with other file documents?
Is the property address correct?
3. Is the Date of GFE correct, must be within 3 days of interview date or change of circumstance, i.e. loan locked.

Check Your Dates – Page 1 cont.

Important dates

1. The interest rate for this GFE is available through . After this time, the interest rate, some of your loan Origination Charges, and the monthly payment shown below can change until you lock your interest rate.
2. This estimate for all other settlement charges is available through .
3. After you lock your interest rate, you must go to settlement within days (your rate lock period) to receive the locked interest rate.
4. You must lock the interest rate at least days before settlement.

Check your Dates:

Important Date #1:

- **Floating** - This must be the same date as the date of the GFE
- **Locked** – This must be the rate locked expiration date

Important Date #2:

- **Floating** - For the initial GFE, this is 10 business days from the date of the GFE AND does not change on any re-disclosed GFE's
- **Locked** – This must be the same date as it was on the initial GFE

Important Date #3:

- **Floating** - This box cannot be blank, you must enter a number or N/A
- **Locked** - This is the amount of days the rate was locked for

Important Date #4:

- **Floating** - This box cannot be blank. For a Floating GFE it should show 7 days
- **Locked** - This should show N/A, it cannot be left blank

Loan Summary Data – Page 1 cont.

Summary of your loan

Your initial loan amount is	\$ 195,000.00
Your loan term is	30 years
Your initial interest rate is	4.500 %
Your initial monthly amount owed for principal, interest, and any mortgage insurance is	\$ 988.04 per month
Can your interest rate rise?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes, it can rise to a maximum of %. The first change will be in .
Even if you make payments on time, can your loan balance rise?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes, it can rise to a maximum of \$
Even if you make payments on time, can your monthly amount owed for principal, interest, and any mortgage insurance rise?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes, the first increase can be in and the monthly amount owed can rise to \$. The maximum it can ever rise to is \$
Does your loan have a prepayment penalty?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes, your maximum prepayment penalty is \$
Does your loan have a balloon payment?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes, you have a balloon payment of \$ due in years.

Escrow account information

Some lenders require an escrow account to hold funds for paying property taxes or other property-related charges in addition to your monthly amount owed of \$ 988.04 . Do we require you to have an escrow account for your loan? <input type="checkbox"/> No, you do not have an escrow account. You must pay these charges directly when due. <input checked="" type="checkbox"/> Yes, you have an escrow account. It may or may not cover all of these charges. Ask us.
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Summary of your settlement charges

A	Your Adjusted Origination Charges (See page 2.)	\$ 1,800.00
B	Your Charges for All Other Settlement Services (See page 2.)	\$ 2,887.75
A + B	Total Estimated Settlement Charges	\$ 4,687.75

Good Faith Estimate (HUD-GFE) 1

Check your Loan Summary Data:

- Is the loan amount correct (For Government Loans – Base + UPMIP, VAFF or USDA Guaranty)?
- Is your loan term correct?
- Is the initial interest rate correct? Or if locked, reflect the correct rate?
- Is the P&I payment correct (with MIP or MI if applicable)?
- Is the loan an ARM, the first and third boxes should be completed.
- Is loan being escrowed?
- Are all boxes on the bottom of page 1 complete (A, B and A+B must match Page 2)?

Origination Charges – Page 2 of GFE

Understanding
your estimated
settlement charges

Your Adjusted Origination Charges	
1. Our origination charge This charge is for getting this loan for you.	\$ 5,700.00
2. Your credit or charge (points) for the specific interest rate chosen <input type="checkbox"/> The credit or charge for the interest rate of <input type="text"/> % is included in "Our origination charge." (See item 1 above.) <input checked="" type="checkbox"/> You receive a credit of \$ <input type="text" value="3,900.00"/> for this interest rate of <input type="text" value="4.500"/> %. This credit reduces your settlement charges. <input type="checkbox"/> You pay a charge of \$ <input type="text"/> for this interest rate of <input type="text"/> %. This charge (points) increases your total settlement charges. The tradeoff table on page 3 shows that you can change your total settlement charges by choosing a different interest rate for this loan.	\$ -3,900.00
A Your Adjusted Origination Charges	\$ 1,800.00

- **In Block 1 – Our origination charge:** Total of broker compensation plus CPF fees, broker processing (if payable to 3rd party), PIW fee and Texas attorney doc prep fee as applicable.
- **Is Block 2 – Credit or Charge complete?** Second or third box must be checked. **Float** – On Lender Paid -Lender comp plus/minus estimate of premium pricing or discount. Borrower Paid – total of estimated credit to borrower. Block can be zero but not blank. **Locked** – Lender Paid -Lender comp plus/minus actual premium pricing or discount. Borrower Paid – actual credit to borrower for rate chosen.
- **Is Block A – Your Adjusted Origination Charges complete?** Should be the sum of Block 1 and 2.

Charges for All Other Settlement Services – Page 2 cont.

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

Your Charges for All Other Settlement Services				
3. Required services that we select				
These charges are for services we require to complete your settlement. We will choose the providers of these services.				
<i>Service</i>	<i>Charge</i>	<i>Service</i>	<i>Charge</i>	
Appraisal fee	\$350.00			\$ 400.00
Credit report	\$50.00			
4. Title services and lender's title insurance				
This charge includes the services of a title or settlement agent, for example, and title insurance to protect the lender, if required.				
\$ 1,500.00				
5. Owner's title insurance				
You may purchase an owner's title insurance policy to protect your interest in the property.				
NA				
6. Required services that you can shop for				
These charges are for other services that are required to complete your settlement. We can identify providers of these services or you can shop for them yourself. Our estimates for providing these services are below.				
<i>Service</i>	<i>Charge</i>	<i>Service</i>	<i>Charge</i>	
				\$ 0.00
7. Government recording charges				
These charges are for state and local fees to record your loan and title documents.				
\$ 150.00				
8. Transfer taxes				
These charges are for state and local fees on mortgages and home sales.				
\$ 0.00				

- **Is Block 3 – Required services that we select** complete? Should have appraisal, credit report, appraisal review, UPMIP:VAFF, USDA Guar, MI Premium and other services that the borrower can shop for.
- **Is Block 4 – Title services** complete? Should include all Title Insurance and Closing/Attorney fees.
- **Is Block 5 – Owner's title insurance** complete? For all purchase transactions the cost of owner's title insurance must be disclosed regardless of which party has agreed to pay the fee.
- **Is Block 6 – Required service that you can shop for** of complete? Inspections, survey and other services chosen by the borrower would go here.
- **Is Block 7 – Government recording charges** complete?
- **Is Block 8 – Transfer taxes** complete? Must be accurate as zero tolerance is allowed.

Escrow, Interest and Home Owners Insurance Charges – Page 2 cont.

9. Initial deposit for your escrow account This charge is held in an escrow account to pay future recurring charges on your property and includes <input checked="" type="checkbox"/> all property taxes, <input checked="" type="checkbox"/> all insurance, and <input type="checkbox"/> other.		\$ 594.00								
10. Daily interest charges This charge is for the daily interest on your loan from the day of your settlement until the first day of the next month or the first day of your normal mortgage payment cycle. This amount is \$ <u>24.3750</u> per day for <u>10</u> days (if your settlement is <u>12/28/2011</u>).		\$ 243.75								
11. Homeowner's insurance This charge is for the insurance you must buy for the property to protect from a loss, such as fire. <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 30%;">Policy</th> <th style="width: 15%;">Charge</th> <th style="width: 30%;">Policy</th> <th style="width: 15%;">Charge</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>		Policy	Charge	Policy	Charge					\$ 0.00
Policy	Charge	Policy	Charge							
B	Your Charges for All Other Settlement Services	\$ 2,887.75								
A + B	Total Estimated Settlement Charges	\$ 4,687.75								



Good Faith Estimate (HUD-GFE) 2

- **Is Block 10 – Daily interest charges** complete? Based on your estimated closing date and borrower's interest rate, indicate the estimated of interest charges.
- **Is Block 9 - Initial deposit for your escrow account** complete? Indicate if escrowing for both taxes and/or insurance. Include total amount of escrows to collected at closing.
- **Is Block 11 – Homeowners insurance** complete? You must disclose estimated annual charge for any insurance required to protect the property such as homeowner's and flood insurance.

Trade Off Table – Page 3 of GFE

Instructions

Understanding which charges can change at settlement

This GFE estimates your settlement charges. At your settlement, you will receive a HUD-1, a form that lists your actual costs. Compare the charges on the HUD-1 with the charges on this GFE. Charges can change if you select your own provider and do not use the companies we identify. (See below for details.)

These charges cannot increase at settlement:	The total of these charges can increase up to 10% at settlement:	These charges can change at settlement:
<ul style="list-style-type: none"> ■ Our origination charge ■ Your credit or charge (points) for the specific interest rate chosen (after you lock in your interest rate) ■ Your adjusted origination charges (after you lock in your interest rate) ■ Transfer taxes 	<ul style="list-style-type: none"> ■ Required services that we select: <ul style="list-style-type: none"> ■ Title services and lender's title insurance (if we select them or you use companies we identify) ■ Owner's title insurance (if you use companies we identify) ■ Required services that you can shop for (if you use companies we identify) ■ Government recording charges 	<ul style="list-style-type: none"> ■ Required services that you can shop for (if you do not use companies we identify) ■ Title services and lender's title insurance (if you do not use companies we identify) ■ Owner's title insurance (if you do not use companies we identify) ■ Initial deposit for your escrow account ■ Daily interest charges ■ Homeowner's insurance

Using the tradeoff table

In this GFE, we offered you this loan with a particular interest rate and estimated settlement charges. However:

- If you want to choose this same loan with **lower settlement charges**, then you will have a **higher interest rate**.
 - If you want to choose this same loan with a **lower interest rate**, then you will have **higher settlement charges**.
- If you would like to choose an available option, you must ask us for a new GFE.

Loan originators have the option to complete this table. Please ask for additional information if the table is not completed.

	The loan in this GFE	The same loan with lower settlement charges	The same loan with a lower interest rate
Your initial loan amount	\$ 195,000.00	\$	\$
Your initial interest rate*	4.500 %	%	%
Your initial monthly amount owed	\$ 986.04	\$	\$
Change in the monthly amount owed from this GFE	No change	You will pay \$ more every month	You will pay \$ less every month
Change in the amount you will pay at settlement with this interest rate	No change	Your settlement charges will be reduced by \$	Your settlement charges will increase by \$
How much your total estimated settlement charges will be	\$ 4,667.75	\$	\$

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

Using the shopping chart

Use this chart to compare GFEs from different loan originators. Fill in the information by using a different column for each GFE you receive. By comparing loan offers, you can shop for the best loan.

	This loan	Loan 2	Loan 3	Loan 4
Loan originator name	Twist? LoanOffice			
Initial loan amount	\$195,000.00			
Loan term	30 years			
Initial interest rate	4.500%			
Initial monthly amount owed	\$986.04			
Rate lock period				
Can interest rate rise?	No			
Can loan balance rise?	No			
Can monthly amount owed rise?	No			
Prepayment penalty?	No			
Ballon payment?	No			
Total Estimated Settlement Charges	\$4,667.75			

If your loan is sold in the future

Some lenders may sell your loan after settlement. Any fees lenders receive in the future cannot change the loan you receive or the charges you paid at settlement.

For New Hampshire Properties – the trade off table must be completed