



# PART 3: THE LOAN ESTIMATE

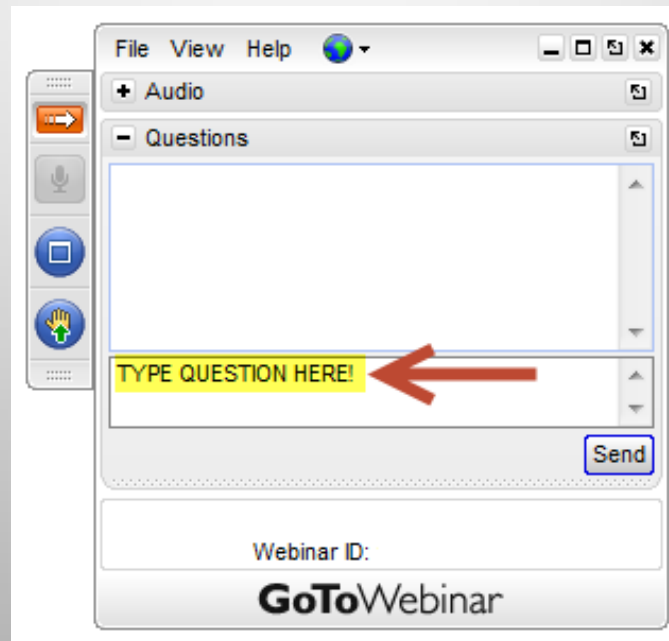
**Integrated Disclosures Rule**  
*Effective August 1, 2015*

*Same Day Turn Times, Everyday*

# Today



- A copy of today's presentation will be provided along with the Q&A will be sent out to all participants.
- Please ask any questions in the webinar panel at anytime during this presentation.

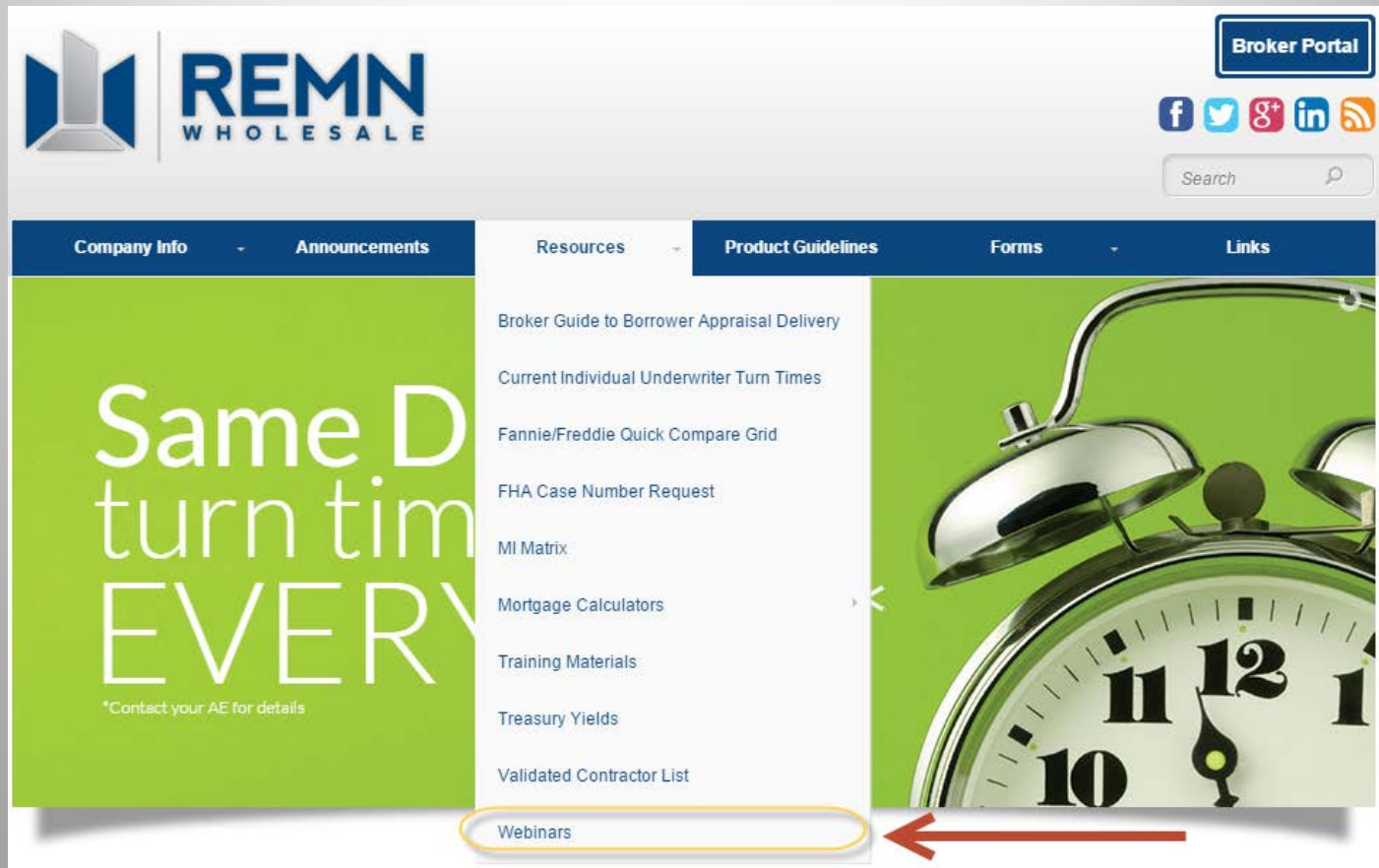


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- Click on Resources in the blue menu bar
- Click Webinars



**Welcome!**



**Carl Markman**  
**Director of National Sales**  
**REM N Wholesale**



**Phil Schild**  
**General Counsel, Chief Compliance**  
**Officer**  
**HomeBridge Financial Services, Inc.**

# The Loan Estimate - Introduction



- LE combines the **Initial TIL** and **GFE**
- Standard forms for RESPA transactions (except HELOCs and Reverse Mortgages)

## Design Principles:

- Easier text to read and more visually appealing
- More important and usable information appears first on the form
- LE and CD should match (more information to follow)

## Dynamic Form

- Inapplicable disclosures are left blank or sections do not appear at all
- Adjustable Interest Rate (AIR) and Adjustable Payment (AP) Tables do not show if they do not apply to the loan
- Not permitted to use N/A

# The Loan Estimate – Timing Requirements



## Initial Loan Estimate delivered within:

- **3 general business days** after receiving **Application** (Creditor or Broker)
- If not provided in person, receipt assumed within 3 business days after delivery or mailing
- For purposes of providing the **Loan Estimate**, a **general business day** is a day on which the creditor's offices are open to the public for carrying out substantially all of its business functions (aka - "open for business day")
- **7 specific** business days before consummation (day the Note is signed). This requirement is the same as today's MDIA rule (**specific** business day includes ALL days but Sunday and specific federal holidays)

## Revised Loan Estimate delivered within:

- **3 general business** days of receiving information sufficient to establish Change of Circumstance
- **3 general business days of interest rate lock** (Rev. Jan. 2015)
- **4 specific** business days before consummation
- Cannot be delivered with or after **Closing Disclosure (CD)**

# Loan Estimate: Application



**Application** consists of the submission of the following **six** pieces of information:

1. The consumer's name;
2. The consumer's income;
3. The consumer's social security number to obtain a credit report;
4. The property address;
5. An estimate of the value of the property; and
6. The mortgage loan amount sought.

**REMEMBER:** the seventh, lender chosen item to trigger disclosure has been removed from the definition of application. An application is considered complete when all six items are provided and we must disclose within the required timeframe.

- Creditor or broker may attempt to sequence the collection of information **but cannot refuse to accept any of the six items**

*Example: Ask for SSN or property address after receiving all other necessary information*

- Broker's receipt of an application triggers obligation to provide a Loan Estimate within three general business days (aka "open for business days").
- If broker provides the Loan Estimate:
  - Broker must comply with all relevant requirements as if it were the creditor
  - If creditor is unknown, broker leaves Loan ID # and lender info blank
  - If creditor accepts a loan after the Loan Estimate has been provided, creditor is bound by the tolerance limitations
  - "[E]ven if the broker provides an erroneous disclosure, the creditor is responsible and may not issue a revised disclosure correcting the error. The creditor is expected to maintain communication with the broker to ensure that the broker is acting in place of the creditor."



# Loan Estimate – Fee and Closing Cost Worksheets



**A fee or closing cost worksheet may be provided to the borrower prior to the Loan Estimate, subject to conditions:**

- Must clearly and conspicuously include the following disclaimer in 12 point font:

**“Your actual rate, payment, and costs could be higher. Get an official Loan Estimate before choosing a loan.”**

- May not use headings, content and format similar to the Loan Estimate or Closing Disclosure.
- Requirements do not apply to generic cost lists or advertisements.

## Loan Estimate – Good Faith



Loan Estimate figures must be made in **good faith** and consistent with the best information reasonably available to the creditor at the time disclosed.

### To determine good faith:

- Look at difference between the estimated charges originally provided in the Loan Estimate and the actual charges paid by or imposed on the consumer.
- Generally, if the charge paid by or imposed on the consumer **exceeds** the amount originally disclosed on the Loan Estimate it is **not in good faith** (exceptions below regarding tolerances).
- This is true regardless of whether the creditor later discovers a technical error, miscalculation, or underestimation of a charge.

# The Loan Estimate – Change of Circumstance



**General Rule:** Creditors are bound by the Loan Estimate, and may not issue revisions because they later discover technical errors, miscalculations, or underestimations of charges.

Creditors may only charge more than the amount disclosed when the original estimate, or lack thereof, was based on the best information reasonably available at the time of the disclosure.

Revised Loan Estimates permitted only in certain specific circumstances:

- **Changed circumstances** that occur after the Loan Estimate is provided to the consumer cause settlement charges to increase more than permitted (**Examples can be found in the newly posted FAQs**)
- **Changed circumstances** that occur after the Loan Estimate is provided to the consumer affect the consumer's eligibility for the terms for which the consumer applied or the value of the security for the loan
- Revisions are requested by the consumer
- Interest rate not locked when the Loan Estimate was provided, and locking the rate causes the points or lender credits disclosed on the Loan Estimate to change
- Consumer indicates an **intent to proceed** with the transaction more than 10 business days after the Loan Estimate was originally provided
- The loan is a new construction loan, and settlement is delayed

# Loan Estimate – A Few Basics



- **Important Information First**
  - Rate
  - Payments
  - Costs at Closing
- **Whole Dollar (\$) Amounts (decimals are confusing)**
  - Principal & Interest Payment exception
  - **Whole Percent (%) Values (decimals are confusing)**
  - If decimals - round to max three places (ex. 3.875%)
- **Blank Fields** – Never use N/A or NA
  - Inapplicable table(s)/section(s) entirely removed

# The Loan Estimate – Page 1



## General Information

## Loan Terms

## Projected Payments

## Costs at Closing

### 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 Michael Jones and Mary Stone  
123 Anywhere Street  
Anytown, ST 12345  
PROPERTY 456 Somewhere Avenue  
Anytown, ST 12345  
SALE PRICE \$180,000

LOAN TERM 30 years  
PURPOSE Purchase  
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 3/4/2013 at 5:00 p.m. EDT*

Loan Terms		Can this amount increase after closing?
Loan Amount	\$162,000	NO
Interest Rate	3.875%	NO
Monthly Principal & Interest <i>See Projected Payments below for your Estimated Total Monthly Payment</i>	\$761.78	NO
Does the loan have these features?		
Prepayment Penalty	YES	• As high as \$3,240 if you pay off the loan during the first 2 years
Balloon Payment		NO

#### Projected Payments

Payment Calculation	Years 1-7	Years 8-30
Principal & Interest	\$761.78	\$761.78
Mortgage Insurance	+ 82	+ —
Estimated Escrow <i>Amount can increase over time</i>	+ 206	+ 206
Estimated Total Monthly Payment	\$1,050	\$968

Estimated Taxes, Insurance & Assessments <i>Amount can increase over time</i>	\$206 a month	This estimate includes	In escrow?
		<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

Estimated Closing Costs	\$8,054	Includes \$5,672 in Loan Costs + \$2,382 in Other Costs – \$0 in Lender Credits. See page 2 for details.
Estimated Cash to Close	\$16,054	Includes Closing Costs. See Calculating Cash to Close on page 2 for details.

# The Loan Estimate –

## Page 1 General Information



### 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** Michael Jones and Mary Stone  
123 Anywhere Street  
Anytown, ST 12345  
**PROPERTY** 456 Somewhere Avenue  
Anytown, ST 12345  
**SALE PRICE** \$180,000

**LOAN TERM** 30 years  
**PURPOSE** Purchase  
**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 3/4/2013 at 5:00 p.m. EDT*

- **Date Issued:** date the Loan Estimate is mailed or delivered to the consumer. Method of delivery does not affect the Date Issued. If hand delivered or mailed the date would be the same.
- **Property:** address that will secure the transaction which **must include the zip code**.
- **Sale Price or Est. Prop. Value:** Purchase v. Refinance
- **Purpose:** Purchase, Refinance, Construction, or Home Equity
- **Product:** description of the loan; Fixed, ARM, I/O.
- **Rate Lock:** NO/YES boxes with date of expiration of rate and closing costs. **Must include time zone (NEW).**

# The Loan Estimate –

## Page 1 Loan Terms



Loan Terms		Can this amount increase after closing?
Loan Amount	\$162,000	NO
Interest Rate	3.875%	NO
Monthly Principal & Interest <i>See Projected Payments below for your Estimated Total Monthly Payment</i>	\$761.78	NO
		Does the loan have these features?
Prepayment Penalty		YES • As high as \$3,240 if you pay off the loan during the first 2 years
Balloon Payment		NO

- **Loan Amount:** disclosed in whole dollars.
- **Initial Interest Rate:** if rate has no decimal then disclosed without (ex. 4%)
- **Monthly Principal & Interest:** includes dollars and cents. If applicable must include description of any future adjustments.
- **Pre-Payment Penalty:** REMN Wholesale does not currently charge pre-payment penalties.
- **Balloon Payment:** REMN Wholesale does not currently offer any balloon payment products.

# The Loan Estimate –

## Page 1 Projected Payments



Projected Payments		
Payment Calculation	Years 1-7	Years 8-30
Principal & Interest	\$761.78	\$761.78
Mortgage Insurance	+ 82	+ —
Estimated Escrow <i>Amount can increase over time</i>	+ 206	+ 206
<b>Estimated Total Monthly Payment</b>	<b>\$1,050</b>	<b>\$968</b>
<b>Estimated Taxes, Insurance &amp; Assessments</b> <i>Amount can increase over time</i>	<b>\$206 a month</b> <div> <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 property costs separately.</i> </div>	
		<b>In escrow?</b> YES YES

**Principal & Interest:** includes decimal.

**Mortgage Insurance:** rounded and separate column will show year in which it will terminate. If loan does not have Mortgage Insurance then indicated with “—”.

**Estimated Escrow:** rounded with additional information shown below.

**Estimated Total Monthly Payment:** total of above calculations and rounded.

**Estimated Taxes, Insurance & Assessments:** total is rounded. Designated as **In Escrow, YES/NO**. Includes HOA, Condo Fees, etc.

**NOTE:** MI is only listed above in the Total Monthly Payment.



# The Loan Estimate – Page 1 Costs at Closing



Costs at Closing		
Estimated Closing Costs	\$8,054	Includes \$5,672 in Loan Costs + \$2,382 in Other Costs – \$0 in Lender Credits. <i>See page 2 for details.</i>
Estimated Cash to Close	\$16,054	Includes Closing Costs. <i>See Calculating Cash to Close on page 2 for details.</i>

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

# The Loan Estimate –

## Page 2 Closing Cost Details



**REM N**  
W H O L E S A L E

- UNIFORM, ALPHABETICAL FEE NAMING (NEW)
- FEE LINES ARE NOT NUMBERED (NEW)
- NUMBER OF LINES ALLOWED ARE DEFINED (NEW)
- DOLLAR AMOUNTS ARE ROUNDED (NEW)
- LENDER PAID COMP. NOT DISCLOSED (NEW)

### Closing Cost Details

#### Loan Costs

<b>A. Origination Charges</b>	<b>\$1,802</b>
.25 % of Loan Amount (Points)	\$405
Application Fee	\$300
Underwriting Fee	\$1,097

<b>B. Services You Cannot Shop For</b>	<b>\$672</b>
Appraisal Fee	\$405
Credit Report Fee	\$30
Flood Determination Fee	\$20
Flood Monitoring Fee	\$32
Tax Monitoring Fee	\$75
Tax Status Research Fee	\$110

<b>C. Services You Can Shop For</b>	<b>\$3,198</b>
Pest Inspection Fee	\$135
Survey Fee	\$65
Title – Insurance Binder	\$700
Title – Lender's Title Policy	\$535
Title – Settlement Agent Fee	\$502
Title – Title Search	\$1,261

<b>D. TOTAL LOAN COSTS (A + B + C)</b>	<b>\$5,672</b>
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#### Other Costs

<b>E. Taxes and Other Government Fees</b>	<b>\$85</b>
Recording Fees and Other Taxes	\$85
Transfer Taxes	

<b>F. Prepaids</b>	<b>\$867</b>
Homeowner's Insurance Premium ( 6 months)	\$605
Mortgage Insurance Premium ( months)	
Prepaid Interest ( \$17.44 per day for 15 days @ 3.875%)	\$262
Property Taxes ( months)	

<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>\$1,017</b>
Title – Owner's Title Policy (optional)	\$1,017

<b>I. TOTAL OTHER COSTS (E + F + G + H)</b>	<b>\$2,382</b>
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<b>J. TOTAL CLOSING COSTS</b>	<b>\$8,054</b>
D + I	\$8,054
Lender Credits	

#### Calculating Cash to Close

Total Closing Costs (J)	\$8,054
Closing Costs Financed (Paid from your Loan Amount)	\$0
Down Payment/Funds from Borrower	\$18,000
Deposit	– \$10,000
Funds for Borrower	\$0
Seller Credits	\$0
Adjustments and Other Credits	\$0
<b>Estimated Cash to Close</b>	<b>\$16,054</b>

# Loan Estimate – Page 2 Loan Costs



## Loan Costs

<b>A. Origination Charges</b>	<b>\$1,802</b>
.25 % of Loan Amount (Points)	\$405
Application Fee	\$300
Underwriting Fee	\$1,097

Subtotal

Itemization

### A. Origination Charges

- Max 13 items permitted
- Points (**QM process for exclusion of bona fide points remains**)
- Application, Origination, etc.
- **Lender Paid Compensation is NOT disclosed**
- **Zero Tolerance**

<b>B. Services You Cannot Shop For</b>	<b>\$672</b>
Appraisal Fee	\$405
Credit Report Fee	\$30
Flood Determination Fee	\$20
Flood Monitoring Fee	\$32
Tax Monitoring Fee	\$75
Tax Status Research Fee	\$110

Subtotal

Itemization

### B. Services You Cannot Shop For

- Max 13 items permitted
- Appraisal Fee, Credit Report, Flood Determination, Upfront MI
- **Zero Tolerance**

<b>C. Services You Can Shop For</b>	<b>\$3,198</b>
Pest Inspection Fee	\$135
Survey Fee	\$65
Title – Insurance Binder	\$700
Title – Lender's Title Policy	\$535
Title – Settlement Agent Fee	\$502
Title – Title Search	\$1,261

Subtotal

Itemization

### C. Services You Can Shop For

- Max 14 items permitted
- Pest Inspection, Survey, Title Fees (must start with "Title –")
- **10% Tolerance unless paid to Creditor or Affiliate of Creditor**

<b>D. TOTAL LOAN COSTS (A + B + C)</b>	<b>\$5,672</b>
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# Loan Estimate – Page 2 Other Costs



## E. Taxes and Other Government Fees

- Max 2 items permitted
- Items predefined
- Fees left blank may not use N/A
- **Recording Fees = 10% Tolerance**
- **Transfer Taxes = Zero Tolerance**

Other Costs	
Subtotal	<b>E. Taxes and Other Government Fees</b> \$85
Itemization	Recording Fees and Other Taxes \$85 Transfer Taxes

## F. Prepays

- First 4 items predefined
- Max 7 items permitted
- Fees left blank may not use N/A

Subtotal	<b>F. Prepays</b> \$867
Itemization	Homeowner's Insurance Premium ( 6 months) \$605 Mortgage Insurance Premium ( months) Prepaid Interest ( \$17.44 per day for 15 days @ 3.875%) \$262 Property Taxes ( months)

## G. Initial Escrow Payment at Closing

- First 3 items predefined
- Max 8 items permitted
- Fees left blank may not use N/A

Subtotal	<b>G. Initial Escrow Payment at Closing</b> \$413
Itemization	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

- Max 5 items permitted
- Owner's Title ("Title – ")
- Home Warranty
- Borrower paid real estate commission (if agreed to in sales contract)

Subtotal	<b>H. Other</b> \$1,017
Itemization	Title – Owner's Title Policy (optional) \$1,017

<b>I. TOTAL OTHER COSTS (E + F + G + H)</b>	<b>\$2,382</b>
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# Loan Estimate – Page 2 Total Closing Costs and Calculating Cash To Close



## J. TOTAL CLOSING COSTS

- Total Loan Costs + Other Costs (D + I)
- Lender Credits = sum of lender credits disclosed as a negative number.

Subtotal

Itemization

<b>J. TOTAL CLOSING COSTS</b>	<b>\$8,054</b>
D + I	\$8,054
Lender Credits	

## Purchase

### Calculating Cash to Close

Total Closing Costs (J)	\$8,054
Closing Costs Financed (Paid from your Loan Amount)	\$0
Down Payment/Funds from Borrower	\$18,000
Deposit	– \$10,000
Funds for Borrower	\$0
Seller Credits	\$0
Adjustments and Other Credits	\$0
<b>Estimated Cash to Close</b>	<b>\$16,054</b>

## Alternative (refinance)

### 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 (Paid from your Loan Amount)	\$5,099

# The Loan Estimate – Page 3



## Lender and Broker Information

- NMLS Identifier(s)
- Phone and E-Mail

## Comparisons

- Total paid in P&I, MI, Loan Costs in 5 yrs. (NEW)
- APR (moved to last page)
- Total Interest Percentage (TIP) (NEW)

## Additional Disclosures

- Appraisal (NEW) Replaces ECOA disclosure
- Assumption (from TIL)
- Homeowner’s Insurance (from TIL)
- Late Payment (from TIL)
- Refinance (from TIL w/revised verbiage)
- Servicing (NEW) Replaces servicing disclosure

## Confirm Receipt

- Similar disclosure from TIL
- Signature does not indicate Intent to Proceed.

### Additional Information About This Loan

LENDER  
NMLS/\_\_\_ LICENSE ID  
LOAN OFFICER  
NMLS/\_\_\_ LICENSE ID  
EMAIL  
PHONE

Ficus Bank  
Joe Smith  
12345  
joesmith@ficusbank.com  
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.	
In 5 Years	\$56,582	Total you will have paid in principal, interest, mortgage insurance, and loan costs.
	\$15,773	Principal you will have paid off.
Annual Percentage Rate (APR)	4.274%	Your costs over the loan term expressed as a rate. This is not your interest rate.
Total Interest Percentage (TIP)	69.45%	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 <input type="checkbox"/> will allow, under certain conditions, this person to assume this loan on the original terms. <input checked="" type="checkbox"/> 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 <input type="checkbox"/> to service your loan. If so, you will make your payments to us. <input checked="" type="checkbox"/> 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

# The Loan Estimate – Page 3



## Lender and Broker Information

- NMLS Identifier(s)
- Phone and E-Mail

## Comparisons

- Total paid in P&I, MI, Loan Costs in 5 yrs. (NEW)
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LENDER  
NMLS/\_\_\_ LICENSE ID  
LOAN OFFICER  
NMLS/\_\_\_ LICENSE ID  
EMAIL  
PHONE

Ficus Bank  
Joe Smith  
12345  
joesmith@ficusbank.com  
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.	
In 5 Years	\$56,582	Total you will have paid in principal, interest, mortgage insurance, and loan costs.
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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 <input type="checkbox"/> will allow, under certain conditions, this person to assume this loan on the original terms. <input checked="" type="checkbox"/> 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 <input type="checkbox"/> to service your loan. If so, you will make your payments to us. <input checked="" type="checkbox"/> 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



# Loan Estimate – Tolerance Limitations aka “Variances”



- **Zero Tolerance:**
  - The creditor may never charge more than the estimated amount unless there is a “changed circumstance” (or other triggering event);
  - Fees paid to the creditor, mortgage broker, or an affiliate of either;
  - Fees paid to an unaffiliated third party if the creditor did not permit the consumer to shop; or
  - Transfer taxes.
- **10% Cumulative Tolerance:**
  - Recording fees
  - Charges for third-party services where the charge is not paid to the creditor or the creditor’s affiliate; **and/or**
  - Consumer is permitted by the creditor to shop, but selects a third-party service provider on the creditor’s written list of service providers.
- **No Tolerance:**
  - Prepaid interest; property insurance premiums; amounts placed into an escrow, impound, reserve or similar account;
  - Services required by the creditor if the creditor **permits the consumer to shop** and the consumer selects a third-party service provider not on the creditor’s **written list of service providers**; and
  - Charges paid to third-party service providers for services not required by the creditor (may be paid to affiliates of the creditor).



**Thank you for your time today!**

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**[Part 4: Focus On The Closing Disclosures](#)**

**May 14, 2015 at 3pm Eastern**

**The information in this presentation is not intended to be legal or business advice. In no event shall REM N Wholesale be liable to any person or business entity for any special, direct, indirect, incidental, punitive, or consequential damages as a result of any information gathered from this presentation.**