IOWA PAYMENT REDUCTION FEE DISCLOSURE

Loan #:
MIN:

Date:

Lender:

Borrower(s):

Property Address:

The loan you, the Borrower(s), have applied for, includes a "payment reduction fee," which is also commonly known as loan discount points or fees. A payment reduction fee is paid to obtain a lower interest rate. This reduces the amount of principal and interest that you pay each month on your mortgage. The following is an example on how a payment reduction fee will work on a loan.

GOOD FAITH EXAMPLE:

Without Payment Reduction Fee			With Payment Reduction Fee		
Loan Amount	$		Loan Amount	$	
			Payment Reduction Fee	$	
Interest Rate		%	Reduced Interest Rate		%
Monthly P&I	$		Reduced Monthly P&I	$	

Your loan terms may vary and additional amounts may be included in the payment to cover the costs of taxes, hazard insurance, mortgage insurance and any additional reserve deposits. This disclosure is not a commitment by Lender to loan money to you. Lender may charge you other fees and costs in connection with the loan in accordance with applicable law.

Iowa Code Ann. § 535.8(5)

I/We have read the above disclosure and acknowledge receiving a copy by signing below.

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- BORROWER - - DATE -

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- BORROWER - - DATE -