

Comparison of Good Faith Estimate (GFE) and HUD-1 Charges		Good Faith Estimate	HUD-1
Charges That Cannot Increase	HUD-1 Line Number		
Our origination charge	# 801	\$1,600.00	
Your credit or charge (points) for the specific interest rate chosen	# 802		
Your adjusted origination charges	# 803		\$1,500.00
Transfer taxes	# 1203		

Charges That In Total Cannot Increase More Than 10%		Good Faith Estimate	HUD-1
Government recording charges	# 1201	\$40.00	\$60.00
Appraisal fee	#	\$400.00	\$400.00
Flood certification fee	#	\$12.00	\$12.00
Survey	#	\$487.13	\$487.13
Title services and lender title insurance	#	\$530.00	\$225.00
	#		
	#		
	#		
Total		\$1,469.13	\$1,184.13
Increase between GFE and HUD-1 Charges		\$ -285	or -19.4 %

Charges That Can Change		Good Faith Estimate	HUD-1
Initial deposit for your escrow account	# 1001	\$2,077.60	\$2,021.42
Daily interest charges \$ 36.76 /day	# 901	\$624.99	\$624.99
Homeowner's insurance	# 903	\$1,320.00	\$684.00
	#		
	#		
	#		

Loan Terms

Your initial loan amount is	\$ 198,800.00
Your loan term is	3 years
Your initial interest rate is	6.75 %
Your initial monthly amount owed for principal, interest, and any mortgage insurance is	\$ 1290.27 includes <input checked="" type="checkbox"/> Principal <input checked="" type="checkbox"/> Interest <input type="checkbox"/> Mortgage Insurance
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 on and can change again every after . Every change date, your interest rate can increase or decrease by % . Over the life of the loan, your interest rate is guaranteed to never be lower than % or higher than % .
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 mortgage insurance rise?	<input checked="" type="checkbox"/> No <input type="checkbox"/> Yes, the first increase can be on 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 type="checkbox"/> No <input checked="" type="checkbox"/> Yes, you have a balloon payment of \$ 193,295.44 due in 3 years on 3/1/2013 .
Total monthly amount owed including escrow account payments THIS IS WHERE YOU'LL SEE YOUR TOTAL MONTHLY PAYMENT, INCLUDING AMOUNTS GOING INTO ESCROW TO PAY PROPERTY TAXES AND HOMEOWNERS INSURANCE PREMIUMS WHEN DUE.	<input type="checkbox"/> You do not have a monthly escrow payment for items, such as property taxes and homeowner's insurance. You must pay these items directly yourself. <input checked="" type="checkbox"/> You have an additional monthly escrow payment of \$ 541.09 that results in a total initial monthly amount owed of \$ 1931.36 . This includes principal, interest, any mortgage insurance and any items checked below. <input checked="" type="checkbox"/> Property taxes <input checked="" type="checkbox"/> Homeowner's insurance <input type="checkbox"/> Flood insurance <input type="checkbox"/> <input type="checkbox"/>

Note: If you have any questions about the Settlement Charges and Loan Terms listed on this form, please contact your lender.

Page 3 of the HUD-1 Settlement Statement

Page 3 serves two purposes. First, it gives you a comparison between the fees disclosed to you on the Good Faith Estimate (GFE) and the final closing statement.

Fees are in 3 different categories – those that cannot increase, those that can increase up to 10%, and those that can change by any amount.

Fees that cannot change are those charged by your lender – the origination fees and points.

Fees that can increase by no more than 10% are for services that are assigned by your lender to companies on their “approved” lists.

Fees that can increase by any amount are for services provided by vendors you have chosen who are not on your lender’s lists.

Daily interest charges can also change, because they are dependent upon the actual day of closing. The daily rate, however, cannot change, because the lender must stand by the interest rate quoted on your Good Faith Estimate.

The lower half of page 3 outlines your loan terms and discloses the monthly payment including all payments for taxes, insurance, mortgage insurance, etc.