

SAMPLE

Closing Disclosure

This form is a statement of final loan terms and closing costs. Compare this document with your Loan Estimate.

Closing Information

Date Issued 4/05/2016
Closing Date 4/15/2016
Disbursement Date 4/15/2016
Settlement Agent ABC Title Co.
File # 12-3456
Property 456 Somewhere Ave
 Anytown, ST 12345
Sale Price \$201,500

Transaction Information

Borrower Michael Jones and Mary Stone
 123 Anywhere Street
 Anytown, ST 12345
Seller Steve Cole and Amy Doe
 321 Somewhere Drive
 Anytown, ST 12345
Lender New Jersey Housing and
 Mortgage Finance Agency

Loan Information

Loan Term 5 years
Purpose Purchase
Product Fixed Rate

Loan Type Conventional FHA
 VA _____
Loan ID # 123456789
MIC #

Loan Terms	Can this amount increase after closing?	
Loan Amount	\$7,642	NO
Interest Rate	0%	NO
Monthly Principal & Interest <i>See Projected Payments below for your Estimated Total Monthly Payment</i>	\$0	NO
Prepayment Penalty	Does the loan have these features? No	
Balloon Payment	NO	

Projected Payments	Years 1-7	Years 8-30
Payment Calculation		
Principal & Interest		
Mortgage Insurance	+	+
Estimated Escrow <i>Amount can increase over time</i>	+	+
Estimated Total Monthly Payment	\$0	
Estimated Taxes, Insurance & Assessments <i>Amount can increase over time See page 4 for details</i>	\$0 a month	This estimate includes <input type="checkbox"/> Property Taxes <input type="checkbox"/> Homeowner's Insurance <input type="checkbox"/> Other: Homeowner's Association Dues <i>See Escrow Account on page 4 for details. You must pay for other property costs separately.</i>
		In escrow? NO NO NO

Costs at Closing	
Closing Costs	\$75 See page 2 for details.
Cash to Close	\$193,933 Includes Closing Costs. See Calculating Cash to Close on page 3 for details.

Calculating Cash to Close

Use this table to see what has changed from your Loan Estimate.

	Loan Estimate	Final	Did this change?
Total Closing Costs (J)	\$75.00	\$75.00	NO • See Total Loan Costs (D) and Total Other Costs (I)
Closing Costs Paid Before Closing			
Closing Costs Financed (Paid from your Loan Amount)			NO
Down Payment/Funds from Borrower			NO
Deposit			NO
Funds for Borrower	\$193,858	\$193,858	NO
Seller Credits	\$0		NO See Seller Credits in Section L
Adjustments and Other Credits	\$0		NO See details in Sections K and L
Cash to Close	\$193,933	\$193,933	

Summaries of Transactions

Use this table to see a summary of your transaction.

BORROWER'S TRANSACTION

K. Due from Borrower at Closing	\$201,575
01 Sale Price of Property	\$201,500
02 Sale Price of Any Personal Property Included in Sale	
03 Closing Costs Paid at Closing (J)	\$75
04	
Adjustments	
05	
06	
07	
Adjustments for Items Paid by Seller in Advance	
08 City/Town Taxes to	
09 County Taxes to	
10 Assessments to	
11	
12	
13	
14	
15	
L. Paid Already by or on Behalf of Borrower at Closing	\$7,642
01 Deposit	
02 Loan Amount	\$7,642
03 Existing Loan(s) Assumed or Taken Subject to	
04	
05 Seller Credit	
Other Credits	
06	
07	
Adjustments	
08	
09	
10	
11	
Adjustments for Items Unpaid by Seller	
12 City/Town Taxes	
13 County Taxes to	
14 Assessments to	
15	
16	
17	

CALCULATION

Total Due from Borrower at Closing (K)	\$201,575
Total Paid Already by or on Behalf of Borrower at Closing (L) – \$7,642	– \$7,642
Cash to Close <input checked="" type="checkbox"/> From <input type="checkbox"/> To Borrower	\$193,933

SELLER'S TRANSACTION

M. Due to Seller at Closing	\$201,500
01 Sale Price of Property	\$201,500
02 Sale Price of Any Personal Property Included in Sale	
03	
04	
05	
06	
07	
08	
Adjustments for Items Paid by Seller in Advance	
09 City/Town Taxes to	
10 County Taxes to	
11 Assessments to	
12	
13	
14	
15	
16	
N. Due from Seller at Closing	
01 Excess Deposit	
02 Closing Costs Paid at Closing (J)	
03 Existing Loan(s) Assumed or Taken Subject to	
04 Payoff of First Mortgage Loan	
05 Payoff of Second Mortgage Loan	
06	
07	
08 Seller Credit	
09	
10	
11	
12	
13	
Adjustments for Items Unpaid by Seller	
14 City/Town Taxes	
15 County Taxes to	
16 Assessments to	
17	
18	
19	

CALCULATION

Total Due to Seller at Closing (M)	\$201,500
Total Due from Seller at Closing (N) – \$	– \$
Cash <input type="checkbox"/> From <input checked="" type="checkbox"/> To Seller	\$201,500

Additional Information About This Loan

Loan Disclosures

Assumption

- If you sell or transfer this property to another person, your lender
- will allow, under certain conditions, this person to assume this loan on the original terms.
 - will not allow assumption of this loan on the original terms.

Demand Feature

Your loan

- has a demand feature, which permits your lender to require early repayment of the loan. You should review your note for details.
- does not have a demand feature.

Late Payment

If your payment is more than 15 days late, your lender will charge a late fee of 5% of the monthly principal and interest payment.

Negative Amortization (Increase in Loan Amount)

Under your loan terms, you

- are scheduled to make monthly payments that do not pay all of the interest due that month. As a result, your loan amount will increase (negatively amortize), and your loan amount will likely become larger than your original loan amount. Increases in your loan amount lower the equity you have in this property.
- may have monthly payments that do not pay all of the interest due that month. If you do, your loan amount will increase (negatively amortize), and, as a result, your loan amount may become larger than your original loan amount. Increases in your loan amount lower the equity you have in this property.
- do not have a negative amortization feature.

Partial Payments

Your lender

- may accept payments that are less than the full amount due (partial payments) and apply them to your loan.
- may hold them in a separate account until you pay the rest of the payment, and then apply the full payment to your loan.
- does not accept any partial payments.

If this loan is sold, your new lender may have a different policy.

Security Interest

You are granting a security interest in
456 Somewhere Ave., Anytown, ST 12345

You may lose this property if you do not make your payments or satisfy other obligations for this loan.

Escrow Account

For now, your loan

- will have an escrow account (also called an "impound" or "trust" account) to pay the property costs listed below. Without an escrow account, you would pay them directly, possibly in one or two large payments a year. Your lender may be liable for penalties and interest for failing to make a payment.

Escrow		
Escrowed Property Costs over Year 1		Estimated total amount over year 1 for your escrowed property costs: <i>Homeowner's Insurance</i> <i>Property Taxes</i>
Non-Escrowed Property Costs over Year 1		Estimated total amount over year 1 for your non-escrowed property costs: <i>Homeowner's Association Dues</i> You may have other property costs.
Initial Escrow Payment		A cushion for the escrow account you pay at closing. See Section G on page 2.
Monthly Escrow Payment		The amount included in your total monthly payment.

- will not have an escrow account because you declined it your lender does not offer one. You must directly pay your property costs, such as taxes and homeowner's insurance. Contact your lender to ask if your loan can have an escrow account.

No Escrow		
Estimated Property Costs over Year 1		Estimated total amount over year 1. You must pay these costs directly, possibly in one or two large payments a year.
Escrow Waiver Fee		

In the future,

Your property costs may change and, as a result, your escrow payment may change. You may be able to cancel your escrow account, but if you do, you must pay your property costs directly. If you fail to pay your property taxes, your state or local government may (1) impose fines and penalties or (2) place a tax lien on this property. If you fail to pay any of your property costs, your lender may (1) add the amounts to your loan balance, (2) add an escrow account to your loan, or (3) require you to pay for property insurance that the lender buys on your behalf, which likely would cost more and provide fewer benefits than what you could buy on your own.

Loan Calculations

Total of Payments. Total you will have paid after you make all payments of principal, interest, mortgage insurance, and loan costs, as scheduled.	\$0
Finance Charge. The dollar amount the loan will cost you.	\$0
Amount Financed. The loan amount available after paying your upfront finance charge.	\$0
Annual Percentage Rate (APR). Your costs over the loan term expressed as a rate. This is not your interest rate.	0%
Total Interest Percentage (TIP). The total amount of interest that you will pay over the loan term as a percentage of your loan amount.	0%



Questions? If you have questions about the loan terms or costs on this form, use the contact information below. To get more information or make a complaint, contact the Consumer Financial Protection Bureau at www.consumerfinance.gov/mortgage-closing

Other Disclosures

Appraisal

If the property was appraised for your loan, your lender is required to give you a copy at no additional cost at least 3 days before closing. If you have not yet received it, please contact your lender at the information listed below.

Contract Details

See your note and security instrument for information about

- what happens if you fail to make your payments,
- what is a default on the loan,
- situations in which your lender can require early repayment of the loan, and
- the rules for making payments before they are due.

Liability after Foreclosure

If your lender forecloses on this property and the foreclosure does not cover the amount of unpaid balance on this loan,

- state law may protect you from liability for the unpaid balance. If you refinance or take on any additional debt on this property, you may lose this protection and have to pay any debt remaining even after foreclosure. You may want to consult a lawyer for more information.
- state law does not protect you from liability for the unpaid balance.

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.

Tax Deductions

If you borrow more than this property is worth, the interest on the loan amount above this property's fair market value is not deductible from your federal income taxes. You should consult a tax advisor for more information.

Contact Information

	Lender	Mortgage Broker	Real Estate Broker (B)	Real Estate Broker (S)	Settlement Agent
Name	New Jersey Housing and Mortgage Finance Agency				ABC Title Co.
Address	637 South Clinton Avenue, Trenton, NJ 08650				123 Commerce Pl. Somecity, ST 12344
NMLS ID					
ST License ID					Z61616
Contact	NJHMFA Hotline				Sarah Arnold
Contact NMLS ID					
Contact ST License ID					PT1234
Email					sarah@abctitle.com
Phone	800-654-6873				987-555-4321

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

Addendum

PREPAYMENT: The Borrower may repay the unpaid principal and accrued interest in full or in part at any time before it is due. This is known as prepayment. No penalty shall be charged.

If the Borrower continuously resides in the premises, as his/her principal residence for five (5) years from the date of the closing of the loan the principal on this Note will have been deemed satisfied and the Lender will provide the Borrower with a cancellation of mortgage or release of lien.

If the Borrower conveys, refinances or ceases to occupy the Premises as his/her principal residence, full repayment of principal and accrued interest * will be due as follows:

- Months 1 through 24 100% of the principal is due.
- After the **24th month**, 25% of this principal and a portion of the accrued interest on this Note will be deemed satisfied and the remaining balance will be re-amortized.
- After the **36th month**, 50% of this principal and a portion of the accrued interest on this Note will be deemed satisfied and the remaining balance will be re-amortized.
- After the **48th month**, 75% of this principal and a portion of the accrued interest on this Note will be deemed satisfied and the remaining balance will be re-amortized.
- After the **60th month** this entire Note will be satisfied and discharged.

*note: when the principal is reduced, the new principal balance will be re-amortized from the original date of the Note to calculate the current accrued interest due.