

CLOSING DISCLOSURES, LOAN ESTIMATES & FEES WORKSHEETS

LEARN HOW TO READ, UNDERSTAND, EXPLAIN AND COMPARE
ALL OF THE CRITICAL ESTIMATES A BUYER RECEIVES
THROUGH THE PROCESS

Sonya Bersani CE Provider #10623

Course# 46010



AGENDA

WHAT EACH FORM IS & IS NOT
FIVE COMPONENTS OF COST
THE FEES WORKSHEET - CASE STUDY
THE LOAN ESTIMATE - CASE STUDY
THE CLOSING DISCLOSURE - CASE STUDY
ALLOWABLE TOLERANCES

REALTOR TIP+

Know that are 3 cost estimates your buyer will receive from the lender

A fees worksheet: before they find a home

A loan estimate: when contract on a home

A closing disclosure: at least 3 days prior to closing

FEES WORKSHEET

AKA "ESTIMATE" AKA "LENDERS QUOTE" ETC.

WHAT IT IS:

- A very preliminary itemized estimate of the total cost & payment a buyer can expect.
- Typically given BEFORE a buyer has gone under contract and or prior to locking in an interest rate.
- Produced by and based on information presented to the loan officer and or obtained by the loan officer.
- Can be done specific to property OR issued on a hypothetical scenario.



FEES WORKSHEET

AKA "ESTIMATE" AKA "LENDERS QUOTE" ETC.

WHAT IT IS NOT:

- Regulated. There is no consumer protection in that the fees and rates can be inaccurate and there is no recourse for the buyer should they use this document as a basis of what their cash to close and payment will be.
- Uniform. Fees worksheets from one lender to the next can vary in how they are presented.. there is no one format lenders must adhere to. This makes it very challenging for a consumer to compare one lender to the next.
- A promise to lend. While many lenders will refuse to, fees worksheets can be given before a borrower is even prequalified or had their credit run.

HOMEBUYER & REALTOR TIP!

Before seeing homes or making an offer, be sure your lender has educated you enough on what kind of payment you can expect AND how much cash you need.

Knowing what you are approved for is NOT ENOUGH.



LOAN ESTIMATE (LE)

FORMERLY KNOWN AS A "GOOD FAITH ESTIMATE"

WHAT IT IS:

- A uniform standardized form all lenders use that itemizes what fees & payment can be expected at the closing of the loan.
- A disclosure that encompasses all important details/characteristics of the financing including APR that must be delivered to the borrower within 3 days of application.
- Produced by and based on information presented to the loan officer and or obtained by the loan officer.
- Regulated. Protects the buyer from large swings in costs occurring prior to closing, with exception to changes of circumstances that impact the loan approval itself.





LOAN ESTIMATE (LE)

FORMERLY KNOWN AS A "GOOD FAITH ESTIMATE"

WHAT IT IS NOT:

- **Guaranteed.** While it is the lender's best effort to assure you see all costs due at closing, it does not guarantee many of the items estimated nor loan approval
 - **All LENDER cost.** While the Loan Estimate must be provided by the lender, it has to account for ALL costs (including lender, title, taxes, insurances & HOA costs) associated with buying a home.
 - **Generally not issued before an actual property is found, however it CAN be issued on a TBD basis (like a fees worksheet).**
- 

REALTOR TIP+

If your buyer has applied with a lender and says they still aren't sure of rate, costs, terms and or payments, tell them to look for their Loan Estimate which they would have received in their initial disclosure package within 3 days of applying.

CLOSING DISCLOSURE (CD)

FORMERLY KNOWN AS A "HUD-1 STATEMENT"

WHAT IT IS:

- A regulated uniform standardized form all lenders use that emulates the layout of the Loan Estimate but is fine tuned to reflect exact costs at closing.
 - It allows the consumer to compare to the Loan Estimate & contains a comparison chart.
 - A disclosure that encompasses all important details/characteristics of the financing including APR that must be delivered to the borrower 3 days prior to the consumation of a loan closing.
 - Issued by the lender and based on third party information verified (ie, title, insurance, tax certs, HOA resale etc)
 - Arguably the most important loan document for a borrower to hold on to post closing.
- 



CLOSING DISCLOSURE (CD) **FORMERLY KNOWN AS A "HUD-1 STATEMENT"**

WHAT IT IS NOT:

- A promise to lend. While having a Closing Disclosure issued by a lender is generally not done until a loan is approved, it should not be assumed that the loan approval is complete.
- 



REALTOR TIP

If a CD is not delivered to and acknowledged by the borrower 3 business days prior to closing, closing WILL BE DELAYED. There is no tolerance or exception on this (in 99% of cases).

TEST TIME!

- *Which of the 3 shows that the loan is approved?*
- *Name the most important thing about a fees worksheet a buyer should know?*
- *Who is responsible for estimating all costs on the Loan Estimate & liable if they are wrong?*

FIVE COMPONENTS OF COST

CLOSING COSTS

- Include LENDER & TITLE fees.

PREPAIDS & ESCROWS/IMPOUNDS

- Include TAXES & INSURANCES

HOA FEES IF APPLICABLE

- Includes upfront & potentially prepaid costs determined by the HOA

FEES WORKSHEET CASE STUDY

Closing Fee Worksheet

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

Applicants:	Jimmy Buyer	Application No:	2002367660
		Date Prepared:	9/27/2022
		Mortgage Type:	Conventional Fixed
Prepared by:	Legend Lending Corporation 2107 Research Forest Dr Ste 125 The Woodlands TX 77380 267-934-2659	Sonya Bersani sonya.bersani@legendhomelending.com	NMLS: 140571
Loan Amount:	\$469,600.00	Note Rate: 6.750%	Loan Term: 360 months

This is not a Good Faith Estimate (GFE). This "Fees Worksheet" is provided for informational purposes only, to assist you in determining an estimate of cash that may be required to close and an estimate of your proposed monthly mortgage payment. Actual charges may be more or less, and your transaction may not involve a fee for every item listed.

Settlement Charges	Buyer	Seller	Lender	POC	Total Amt
Interest Rate Discount	\$12,242.47	\$0.00	\$0.00	\$0.00	\$12,242.47
Processing Fee	\$499.00	\$0.00	\$0.00	\$0.00	\$499.00
Administration Fee	\$999.00	\$0.00	\$0.00	\$0.00	\$999.00
Appraisal Fee	\$750.00	\$0.00	\$0.00	\$0.00	\$750.00
Credit Report Fee	\$90.00	\$0.00	\$0.00	\$0.00	\$90.00
TX Attorney Doc Prep Fee	\$150.00	\$0.00	\$0.00	\$0.00	\$150.00
Title - Settlement Fee/Title Exam	\$550.00	\$0.00	\$0.00	\$0.00	\$550.00
Title - Lender's Title Insurance	\$0.00	\$2,780.00	\$0.00	\$0.00	\$2,780.00
Title - NYD&P	\$5.00	\$0.00	\$0.00	\$0.00	\$5.00
Title - Guaranty	\$2.00	\$0.00	\$0.00	\$0.00	\$2.00
Title - Attorney Fee	\$200.00	\$0.00	\$0.00	\$0.00	\$200.00
Title - TX GARC Fee - Lenders Title	\$2.00	\$0.00	\$0.00	\$0.00	\$2.00
Title - T-17 Planned Unit Development	\$25.00	\$0.00	\$0.00	\$0.00	\$25.00
Title - T-19 Restriction	\$50.00	\$0.00	\$0.00	\$0.00	\$50.00
Title - T-30 Tax Deletion	\$20.00	\$0.00	\$0.00	\$0.00	\$20.00
Title - T-36 Environmental Protection	\$25.00	\$0.00	\$0.00	\$0.00	\$25.00
Title - E-Recording Fee	\$7.00	\$0.00	\$0.00	\$0.00	\$7.00
Title - Owner's Title Insurance	\$0.00	\$718.00	\$0.00	\$0.00	\$718.00
HOA Transfer Fee	\$150.00	\$0.00	\$0.00	\$0.00	\$150.00
Title - TX GARC Fee - Owners Title	\$2.00	\$0.00	\$0.00	\$0.00	\$2.00
Survey	\$1,000.00	\$0.00	\$0.00	\$0.00	\$1,000.00
Government Recording Charges	\$250.00	\$0.00	\$0.00	\$0.00	\$250.00

Impounds	Monthly Amt	X	Mos	Total Amt	I	Prepaid At Closing	Total Amt
Hazard Insurance	220.00	x	3	660.00	I	Hazard Insurance	2,640.00
City Taxes	1,111.00	x	3	3,333.00	I	City Taxes	0.00
County Taxes	0.00	x	0	0.00	I	County Taxes	0.00
Other	0.00	x	0	0.00	I	Other	0.00
Other	0.00	x	0	0.00	I	Other	0.00
Aggregate Adjustment				0.00			
Daily Interest Charge	\$86.84 /day for 5 days =			434.22			

Details of Transaction				Proposed Payment	
a. Purchase Price	587,000.00	j1. Subordinate Closed-End	0.00	Principal & Interest	3,045.82
b. Alterations	0.00	k. Closing Costs (Seller Paid)	3,498.00	Other Financing P&I	0.00
c. Land	0.00	l. Credits		Hazard Insurance	220.00
d. Refi(incl debts to be paid off)	0.00	Earnest Money plus option	5,750.00	Real Estate Taxes	1,111.00
e. Estimated Prepaid Items	7,067.22		0.00	Mortgage Insurance	0.00
f. Estimated Closing Costs	8,274.00		0.00	HOA Dues	0.00
g. PMI, MIP, FF	0.00		0.00	Other	0.00
h. Discount (Borrower Paid)	12,242.47	m. Loan Amount Base	469,600.00		
i. Total Costs	614,583.69	n. PMI, MIP, FF Financed	0.00		
		o. Loan Amount	469,600.00		
		p. Cash from/to Borrower	135,735.69	Total Monthly Payment	4,376.82

NOTE THE FEATURES AND DATE

Closing Fee Worksheet

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

Applicants:	Jimmy Buyer	Application No:	2002367660
		Date Prepared:	9/27/2022
		Mortgage Type:	Conventional Fixed
Prepared by:	Legend Lending Corporation 2107 Research Forest Dr Ste 125 The Woodlands TX 77380 267-934-2659	Sonya Bersani sonya.bersani@legendhomelending.com	NMLS: 140571
Loan Amount:	\$469,600.00	Note Rate: 6.750%	Loan Term: 360 months

This is not a Good Faith Estimate (GFE). This "Fees Worksheet" is provided for informational purposes only, to assist you in determining an estimate of cash that may be required to close and an estimate of your proposed monthly mortgage payment. Actual charges may be more or less, and your transaction may not involve a fee for every item listed.



CLOSING COSTS

CAN YOU SPOT THE ORIGINATION COST?

	Settlement Charges	Buyer	Seller	Lender	POC	Total Amt
Interest Rate Discount		\$12,242.47	\$0.00	\$0.00	\$0.00	\$12,242.47
Processing Fee		\$499.00	\$0.00	\$0.00	\$0.00	\$499.00
Administration Fee		\$999.00	\$0.00	\$0.00	\$0.00	\$999.00
Appraisal Fee		\$750.00	\$0.00	\$0.00	\$0.00	\$750.00
Credit Report Fee		\$90.00	\$0.00	\$0.00	\$0.00	\$90.00
TX Attorney Doc Prep Fee		\$150.00	\$0.00	\$0.00	\$0.00	\$150.00
Title - Settlement Fee/Title Exam		\$550.00	\$0.00	\$0.00	\$0.00	\$550.00
Title - Lender's Title Insurance		\$0.00	\$2,780.00	\$0.00	\$0.00	\$2,780.00
Title - NYD&P		\$5.00	\$0.00	\$0.00	\$0.00	\$5.00
Title - Guaranty		\$2.00	\$0.00	\$0.00	\$0.00	\$2.00
Title - Attorney Fee		\$200.00	\$0.00	\$0.00	\$0.00	\$200.00
Title - TX GARC Fee - Lenders Title		\$2.00	\$0.00	\$0.00	\$0.00	\$2.00
Title - T-17 Planned Unit Development		\$25.00	\$0.00	\$0.00	\$0.00	\$25.00
Title - T-19 Restriction		\$50.00	\$0.00	\$0.00	\$0.00	\$50.00
Title - T-30 Tax Deletion		\$20.00	\$0.00	\$0.00	\$0.00	\$20.00
Title - T-36 Environmental Protection		\$25.00	\$0.00	\$0.00	\$0.00	\$25.00
Title - E-Recording Fee		\$7.00	\$0.00	\$0.00	\$0.00	\$7.00
Title - Owner's Title Insurance		\$0.00	\$718.00	\$0.00	\$0.00	\$718.00
HOA Transfer Fee		\$150.00	\$0.00	\$0.00	\$0.00	\$150.00
Title - TX GARC Fee - Owners Title		\$2.00	\$0.00	\$0.00	\$0.00	\$2.00
Survey		\$1,000.00	\$0.00	\$0.00	\$0.00	\$1,000.00
Government Recording Charges		\$250.00	\$0.00	\$0.00	\$0.00	\$250.00

HOMEBUYER TIP

When shopping lenders the only way to compare is to either ask for the same rate or same cost from each lender.

Know that you can get any rate you want with any lender, its just a matter of what it costs you.

PREPAIDS & ESCROWS

WHAT'S THE ANNUAL TAX AMOUNT?

Impounds	Monthly Amt	X	Mos	Total Amt	I	Prepaid At Closing	Total Amt
Hazard Insurance	220.00	x	3	660.00	I	Hazard Insurance	2,640.00
City Taxes	1,111.00	x	3	3,333.00	I	City Taxes	0.00
County Taxes	0.00	x	0	0.00	I	County Taxes	0.00
Other	0.00	x	0	0.00	I	Other	0.00
Other	0.00	x	0	0.00	I	Other	0.00
Aggregate Adjustment				0.00			
Daily Interest Charge				\$86.84 /day for 5 days ■			434.22



WATCH OUT. TAXES & INSURANCE MAY BE OVER OR UNDER QUOTED

THE SUMMARY ARE CREDITS APPLIED?

Details of Transaction

a. Purchase Price	587,000.00
b. Alterations	0.00
c. Land	0.00
d. Refi(incl debts to be paid off)	0.00
e. Estimated Prepaid Items	7,067.22
f. Estimated Closing Costs	8,274.00
g. PMI, MIP, FF	0.00
h. Discount (Borrower Paid)	12,242.47
i. Total Costs	614,583.69

j1. Subordinate Closed-End	0.00
k. Closing Costs (Seller Paid)	3,498.00
l. Credits	
Earnest Money plus option	5,750.00
	0.00
	0.00
	0.00
m. Loan Amount Base	469,600.00
n. PMI, MIP, FF Financed	0.00
o. Loan Amount	469,600.00
p. Cash from/to Borrower	135,735.69

Proposed Payment

Principal & Interest	3,045.82
Other Financing P&I	0.00
Hazard Insurance	220.00
Real Estate Taxes	1,111.00
Mortgage insurance	0.00
HOA Dues	0.00
Other	0.00
Total Monthly Payment	4,376.82



**WATCH OUT.. CREDITS
MAY BE ASSUMED!**

LETS SHOP!

Your buyer has found a home & they are closing in 3 weeks. Appraisal cannot be ordered until they select a lender & sign their disclosures & inspections are underway. The clock is ticking!

THEY'VE RECEIVED AN ESTIMATE FROM EACH OF THE 3 LENDERS YOU HAVE REFERRED THEM TO. WHICH ONE IS BEST?



DISCUSSION

What was your buyers financial goal? Payment, cash to close, long term plans?

What would you recommend they do to get a clear understanding of options?

Would you refer they work with the lender that gave the a clear understanding of their options or just gave them lowest cost?

How can you avoid the stress your client will feel at this stage?

LOAN ESTIMATE CASE STUDY

Legend Lending Corporation

17047 El Camino Real #150, Houston, TX 77059

Save this Loan Estimate to com

LEGEND LENDING

The Woodlands

Loan Estimate

DATE ISSUED 9/28/2022
 APPLICANTS Jimmy Buyer

LOAN TERM 30 years
 PURPOSE Purchase
 PRODUCT Fixed Rate
 LOAN TYPE Conventional FHA VA
 LOAN ID # 2002367660
 RATE LOCK NO YES, until 10/27/2022 at 5:00 p.m. CDT

PROPERTY 123 Main Street, City, State, Zip

SALE PRICE \$587,000

Before closing, your interest rate, points, and lender credits can change unless you lock the interest rate. All other estimated closing costs expire on 10/11/2022 at 5:00 p.m. CDT

Loan Terms	Can this amount increase after closing?	
Loan Amount	\$469,600	NO
Interest Rate	6.75%	NO
Monthly Principal & Interest <small>See Projected Payments below for your Estimated Total Monthly Payment</small>	\$3,045.82	NO
Does the loan have these features?		
Prepayment Penalty		NO
Balloon Payment		NO

Projected Payments	Years 1 - 30	
Payment Calculation		
Principal & Interest		\$3,045.82
Mortgage Insurance	+	0
Estimated Escrow <small>Amount can increase over time</small>	+	1,331
Estimated Total Monthly Payment		\$4,377
Estimated Taxes, Insurance & Assessments <small>Amount can increase over time</small>	\$1,406 a month	
	This estimate includes	In escrow?
	<input checked="" type="checkbox"/> Property Taxes	YES
	<input checked="" type="checkbox"/> Homeowner's Insurance	YES
	<input checked="" type="checkbox"/> Other: Other	NO
	<small>See Section G on page 2 for escrowed property costs. You must pay for other property costs separately.</small>	

Costs at Closing		
Estimated Closing Costs	\$28,498	Includes \$19,396 in Loan Costs + \$9,102 in Other Costs -\$0 in Lender Credits. See page 2 for details.
Estimated Cash to Close	\$136,650	Includes Closing Costs See Calculating Cash to Close on page 2 for details.

Visit www.consumerfinance.gov/mortgage-estimate for general information and tools.



NOTE THE CRITICAL PAGE 1

Legend Lending Corporation

17047 El Camino Real #150, Houston, TX 77059

Save this Loan Estimate to compare with your Closing Disclosure.

Loan Estimate

DATE ISSUED 9/28/2022
APPLICANTS Jimmy Buyer

LOAN TERM 30 years
PURPOSE Purchase
PRODUCT Fixed Rate
LOAN TYPE Conventional FHA VA _____
LOAN ID # 2002367660

PROPERTY 123 Main Street, City, State, Zip

SALE PRICE \$587,000

RATE LOCK NO YES, until 10/27/2022 at 5:00 p.m. CDT
Before closing, your interest rate, points, and lender credits can change unless you lock the interest rate. All other estimated closing costs expire on 10/11/2022 at 5:00 p.m. CDT

NOTE THE CRITICAL

PAGE 1

Loan Terms		Can this amount increase after closing?
Loan Amount	\$469,600	NO
Interest Rate	6.75%	NO
Monthly Principal & Interest <i>See Projected Payments below for your Estimated Total Monthly Payment</i>	\$3,045.82	NO
Prepayment Penalty	Does the loan have these features? NO	
Balloon Payment	NO	

Projected Payments		
Payment Calculation	Years 1 - 30	
Principal & Interest	\$3,045.82	
Mortgage Insurance	+ 0	
Estimated Escrow <i>Amount can increase over time</i>	+ 1,331	
Estimated Total Monthly Payment	\$4,377	
Estimated Taxes, Insurance & Assessments <i>Amount can increase over time</i>	\$1,406 a month	This estimate includes <input checked="" type="checkbox"/> Property Taxes <input checked="" type="checkbox"/> Homeowner's Insurance <input checked="" type="checkbox"/> Other: Other <small>See Section G on page 2 for escrowed property costs. You must pay for other property costs separately.</small>
		In escrow? YES YES NO

NOTE THE CRITICAL PAGE 1

Costs at Closing		
Estimated Closing Costs	\$28,498	Includes \$19,396 in Loan Costs + \$9,102 in Other Costs -\$0 in Lender Credits. See page 2 for details.
Estimated Cash to Close	\$136,650	Includes Closing Costs See Calculating Cash to Close on page 2 for details.

[Visit www.legendlending.com/resources](http://www.legendlending.com/resources) for general information and tools.

CLOSING COSTS

PAGE 2

WATCH HOW THE ORIGINATION FORMS

Closing Cost Details

Loan Costs

A. Origination Charges **\$13,740**

2.607% of Loan Amount (Points)	\$12,242
Administration Fee	\$999
Processing Fee	\$499

B. Services You Cannot Shop For **\$992**

Appraisal Fee	\$750
Credit Report Fee	\$90
Title - Tx Garc Fee - Lenders Title	\$2
Tx Attorney Doc Prep Fee	\$150

C. Services You Can Shop For **\$4,664**

Survey Fee	\$1,000
Title - Attorney Fee	\$200
Title - E-Recording Fee	\$7
Title - Guaranty	\$2
Title - Lender's Coverage	\$2,780
Title - Nyd&P	\$5
Title - Settlement Agent Fee	\$550
Title - T-17 Planned Unit Development	\$25
Title - T-19 Restriction	\$50
Title - T-30 Tax Deletion	\$20
Title - T-36 Environmental Protection	\$25

D. TOTAL LOAN COSTS (A + B + C) **\$19,396**

PREPAIDS, ESCROWS & OTHER PAGE 2

Other Costs

E. Taxes and Other Government Fees		\$250
Recording Fees and Other Taxes		\$250
Transfer Taxes		
F. Prepays		\$3,074
Homeowner's Insurance Premium (12 months)		\$2,640
Mortgage Insurance Premium (months)		
Prepaid Interest (\$86.84 per day for 5 days @ 6.75%)		\$434
Property Taxes (months)		
G. Initial Escrow Payment at Closing		\$3,993
Homeowner's Insurance	\$220.00 per month for 3 mo.	\$660
Mortgage Insurance	per month for mo.	
Property Taxes	per month for mo.	
City Property Tax	\$1,111.00 per month for 3 mo.	\$3,333
H. Other		\$1,785
2nd Lien Fees		\$915
HOA Transfer Fee		\$150
Title - Owner's Coverage (Optional)		\$718
Title - Tx Garc Fee - Owners Title		\$2
I. TOTAL OTHER COSTS (E + F + G + H)		\$9,102
J. TOTAL CLOSING COSTS		\$28,498
D + I		\$28,498
Lender Credits		

CALCULATING CASH TO CLOSE PAGE 2

Calculating Cash to Close

Total Closing Costs (J)	\$28,498
Closing Costs Financed (Paid from your Loan Amount)	\$0
Down Payment/Funds from Borrower	\$117,400
Deposit	-\$5,750
Funds for Borrower	\$0
Seller Credits	-\$3,498
Adjustments and Other Credits	\$0
Estimated Cash to Close	\$136,650

INFO ABOUT THE LOAN PAGE 3

Additional Information About This Loan

LENDER Legend Lending Corporation
NMLS/TX LICENSE ID 229421
LOAN OFFICER Sonya Bersani
NMLS/TX LICENSE ID 140571
EMAIL sonya.bersani@legendhomelending.com
PHONE

MORTGAGE BROKER
NMLS/TX LICENSE ID
LOAN OFFICER
NMLS/TX LICENSE ID
EMAIL
PHONE

Comparisons	Use these measures to compare this loan with other loans.	
In 5 Years	\$202,579 \$28,760	Total you will have paid in principal, interest, mortgage insurance, and loan costs. Principal you will have paid off.
Annual Percentage Rate (APR)	7.072%	Your costs over the loan term expressed as a rate. This is not your interest rate.
Total Interest Percentage (TIP)	133.587%	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
 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.
- 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 your overdue payment of principal and interest.
- 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:
 to service your loan. If so, you will make your payments to us.
 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.

CLOSING DISCLOSURE CASE STUDY

Closing Disclosure

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

Closing Information		Transaction Information		Loan Information	
Date Issued	10/13/2022	Borrower	Jimmy Buyer	Loan Term	30 years
Closing Date	10/13/2022			Purpose	Purchase
Disbursement Date	10/14/2022			Product	Fixed Rate
Settlement Agent	Chicago Title Of Texas LLC	Seller	Mr. & Mrs. Seller	Loan Type	<input checked="" type="checkbox"/> Conventional <input type="checkbox"/> FHA <input type="checkbox"/> VA <input type="checkbox"/>
File #	CTH-WD-CTT22763288z-			Loan ID #	2002367660
Property	123 TBD Street	Lender	Legend Lending Corporation	MIC #	
Sale Price	\$582,000				

Loan Terms	Can this amount increase after closing?	
Loan Amount	\$465,600	NO
Interest Rate	6.75%	NO
Monthly Principal & Interest <i>See Projected Payments below for your Estimated Total Monthly Payment</i>	\$3,019.87	NO
Prepayment Penalty	Does the loan have these features? NO	
Balloon Payment	NO	

Projected Payments		
Payment Calculation	Years 1 - 30	
Principal & Interest	\$3,019.87	
Mortgage Insurance	+ 0	
Estimated Escrow <i>Amount can increase over time</i>	+ 1,413.82	
Estimated Total Monthly Payment	\$4,433.69	
Estimated Taxes, Insurance & Assessments <i>Amount can increase over time See page 4 for details</i>	\$1,488.82 a month	This estimate includes <input checked="" type="checkbox"/> Property Taxes <input checked="" type="checkbox"/> Homeowner's Insurance <input checked="" type="checkbox"/> Other: HOA Dues <i>See Escrow Account on page 4 for details. You must pay for other property costs separately.</i>
		In escrow? YES YES NO

Costs at Closing	
Closing Costs	\$33,530.03 Includes \$17,388.45 in Loan Costs + \$16,141.58 in Other Costs -\$0 in Lender Credits. See page 2 for details.
Cash to Close	\$134,533.89 Includes Closing Costs See Calculating Cash to Close on page 3 for details.

NOTE THE CRITICAL PAGE 1

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 10/13/2022
Closing Date 10/13/2022
Disbursement Date 10/14/2022
Settlement Agent Chicago Title Of Texas LLC
File # CTH-WD-CTT22763288z-
Property 123 TBD Street
Sale Price \$582,000

Transaction Information

Borrower Jimmy Buyer
Seller Mr. & Mrs. Seller
Lender Legend Lending Corporation

Loan Information

Loan Term 30 years
Purpose Purchase
Product Fixed Rate
Loan Type Conventional FHA
 VA
Loan ID # 2002367660
MIC #



NOTE THE CRITICAL

PAGE 1

Loan Terms		Can this amount increase after closing?	
Loan Amount	\$465,600	NO	
Interest Rate	6.75%	NO	
Monthly Principal & Interest <i>See Projected Payments below for your Estimated Total Monthly Payment</i>	\$3,019.87	NO	
Prepayment Penalty		Does the loan have these features?	
Balloon Payment		NO	

Projected Payments			
Payment Calculation	Years 1 - 30		
Principal & Interest		\$3,019.87	
Mortgage Insurance	+	0	
Estimated Escrow <i>Amount can increase over time</i>	+	1,413.82	
Estimated Total Monthly Payment		\$4,433.69	
Estimated Taxes, Insurance & Assessments <i>Amount can increase over time See page 4 for details</i>	\$1,488.82 a month	This estimate includes <input checked="" type="checkbox"/> Property Taxes <input checked="" type="checkbox"/> Homeowner's Insurance <input checked="" type="checkbox"/> Other: HOA Dues <small>See Escrow Account on page 4 for details. You must pay for other property costs separately.</small>	In escrow? YES YES NO

NOTE THE CRITICAL PAGE 1

Costs at Closing		
Closing Costs	\$33,530.03	Includes \$17,388.45 in Loan Costs + \$16,141.58 in Other Costs -\$0 in Lender Credits. See page 2 for details.
Cash to Close	\$134,533.89	Includes Closing Costs See Calculating Cash to Close on page 3 for details.



CLOSING COSTS

PAGE 2

WATCH TOLERANCES

Closing Cost Details

Loan Costs	Borrower-Paid		Seller-Paid		Paid by Others
	At Closing	Before Closing	At Closing	Before Closing	
A. Origination Charges	\$13,636.19				
01 2.607% of Loan Amount (Points)	\$12,138.19				
02 Administration Fee	\$999.00				
03 Processing Fee	\$499.00				
04					
05					
06					
07					
08					
B. Services Borrower Did Not Shop For	\$203.31				
01 Credit Report Fee to Xactus	\$53.31				
02 Tx Attorney Doc Prep Fee to Piersonpatterson, LLP	\$150.00				
03					
04					
05					
06					
07					
08					
09					
10					
C. Services Borrower Did Shop For	\$3,548.95				
01 Title - Guaranty to Ttiga	\$2.00				
02 Title - Lender's Coverage to Chicago Title of Texas LLC	\$2,759.00				
03 Title - Nyd&P to Chicago Title of Texas LLC	\$5.00				
04 Title - Settlement Agent Fee to Chicago Title of Texas LLC	\$575.00				
05 Title - T-17 Planned Unit Development to Chicago Title of Texas LLC	\$25.00				
06 Title - T-19 Restriction to Chicago Title of Texas LLC	\$137.95				
07 Title - T-30 Tax Deletion to Chicago Title of Texas LLC	\$20.00				
08 Title - T-36 Environmental Protection to Chicago Title of Texas LLC	\$25.00				
D. TOTAL LOAN COSTS (Borrower-Paid)	\$17,388.45				
Loan Costs Subtotals (A + B + C)	\$17,388.45				



PREPAIDS, ESCROWS & OTHER PAGE 2

Other Costs			
E. Taxes and Other Government Fees			
01 Recording Fees	Deed:	Mortgage:	
02			
F. Prepaids			\$5,183.62
01 Homeowner's Insurance Premium (12 mo.) to Allstate			\$3,633.75
02 Mortgage Insurance Premium (mo.)			
03 Prepaid Interest (\$86.10 per day from 10/14/22 to 11/1/22)			\$1,549.87
04 Property Taxes (mo.)			
05			
G. Initial Escrow Payment at Closing			\$9,759.36
01 Homeowner's Insurance \$302.82 per month for 3 mo.			\$908.46
02 Mortgage Insurance per month for mo.			
03 Property Taxes \$695.47 per month for 13 mo.			\$9,041.11
04 County Property Tax \$415.53 per month for 2 mo.			\$831.06
05			
06			
07			
08 Aggregate Adjustment			-\$1,021.27
H. Other			\$1,198.60
01 HOA - Cert Fee	to Maison Property Management		\$230.00
02 HOA - Working Capital	to the Creeks at Augusta Pines HOA		\$650.00
03 HOA Transfer Fee	to Maison Property Management		\$150.00
04 Real Estate Broker Fee	to Selling Broker - Compass Re Texas, LLC		\$17,460.00
05 Real Estate Broker Fee	to Listing Broker - Compass Re Texas, LLC		\$18,055.00
06 Title - Owner's Coverage (Optional)	to Chicago Title of Texas LLC		\$713.00
07 Title - T-3 Amendment of Survey	to Chicago Title of Texas LLC		\$168.60
08 Title - Tx Garc Fee - Owners Title	to Ttiga		\$2.00
I. TOTAL OTHER COSTS (Borrower-Paid)			\$16,141.58
Other Costs Subtotals (E + F + G + H)			\$16,141.58
J. TOTAL CLOSING COSTS (Borrower-Paid)			\$33,530.03
Closing Costs Subtotals (D + I)			\$33,530.03
Lender Credits			\$36,230.00



COMPARISON

PAGE 2

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)	\$28,498.00	\$33,530.03	YES • See Total Loan Costs (D) and Total Other Costs (I)
Closing Costs Paid Before Closing	\$0	\$0	NO
Closing Costs Financed (Paid from your Loan Amount)	\$0	\$0	NO
Down Payment/Funds from Borrower	\$117,400.00	\$116,400.00	YES • You decreased this payment. See details in Sections K and L
Deposit	-\$5,750.00	-\$5,500.00	YES • You decreased this payment. See details in Section L
Funds for Borrower	\$0	\$0	NO
Seller Credits	-\$3,498.00	\$0	YES • See Seller-Paid Column on Page 2 and Seller Credits in Section L
Adjustments and Other Credits	\$0	-\$9,896.14	YES • See details in Sections K and L
Cash to Close	\$136,650.00	\$134,533.89	

SUMMARY

PAGE 3

Summaries of Transactions

Use this table to see a summary of your transaction.

BORROWER'S TRANSACTION

K. Due from Borrower at Closing	\$615,722.36
01 Sale Price of Property	\$582,000.00
02 Sale Price of Any Personal Property Included in Sale	
03 Closing Costs Paid at Closing (J)	\$33,530.03
04	
Adjustments	
05	
06	
07	
Adjustments for Items Paid by Seller in Advance	
08 City/Town Taxes to	
09 County Taxes to	
10 Assessments 10/15/22 to 12/31/22	\$192.33
11	
12	
13	
14	
15	
L. Paid Already by or on Behalf of Borrower at Closing	\$481,188.47
01 Deposit	\$5,500.00
02 Loan Amount	\$465,600.00
03 Existing Loan(s) Assumed or Taken Subject to	
04	
05 Seller Credit	
Other Credits	
06 Title Premium Adjustment	\$2,659.00
07 Option Fee	\$250.00
Adjustments	
08	
09	
10	
11	
Adjustments for Items Unpaid by Seller	
12 City/Town Taxes to	
13 County Taxes to	
14 Assessments 1/1/22 to 10/15/22	\$7,179.47
15	
16	
17	
CALCULATION	
Total Due from Borrower at Closing (K)	\$615,722.36
Total Paid Already by or on Behalf of Borrower at Closing (L)	-\$481,188.47
Cash to Close <input checked="" type="checkbox"/> From <input type="checkbox"/> To Borrower	\$134,533.89

SELLER'S TRANSACTION

M. Due to Seller at Closing	\$582,000.00
01 Sale Price of Property	\$582,000.00
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	\$36,230.00
01 Excess Deposit	
02 Closing Costs Paid at Closing (J)	\$36,230.00
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 to	
15 County Taxes to	
16 Assessments to	
17	
18	
19	
CALCULATION	
Total Due to Seller at Closing (M)	\$582,000.00
Total Due from Seller at Closing (N)	-\$36,230.00
Cash to Close <input type="checkbox"/> From <input checked="" type="checkbox"/> To Seller	\$545,770.00

INFO ABOUT THE LOAN

PAGE 4

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 your overdue payment of principal and interest.

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
7642 Ikes Tree Dr, Spring, TX 77389

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	\$16,965.84	Estimated total amount over year 1 for your escrowed property costs: <i>County Property Tax</i> <i>Homeowner's Insurance</i> <i>Property Tax</i>
Non-Escrowed Property Costs over Year 1	\$900.00	Estimated total amount over year 1 for your non-escrowed property costs: <i>Homeowners Association Dues</i> <i>You may have other property costs.</i>
Initial Escrow Payment	\$9,759.36	A cushion for the escrow account you pay at closing. See Section G on page 2.
Monthly Escrow Payment	\$1,413.82	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.

INFO ABOUT THE LOAN & INVOLVED PARTIES

PAGE 5

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.	\$1,106,094.80
Finance Charge. The dollar amount the loan will cost you.	\$637,467.54
Amount Financed. The loan amount available after paying your upfront finance charge.	\$449,688.94
Annual Percentage Rate (APR) Your costs over the loan term expressed as a rate. This is not your interest rate.	7.093%
Total Interest Percentage (TIP). The total amount of interest that you will pay over the loan term as a percentage of your loan amount.	133.829%



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 received it yet, 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

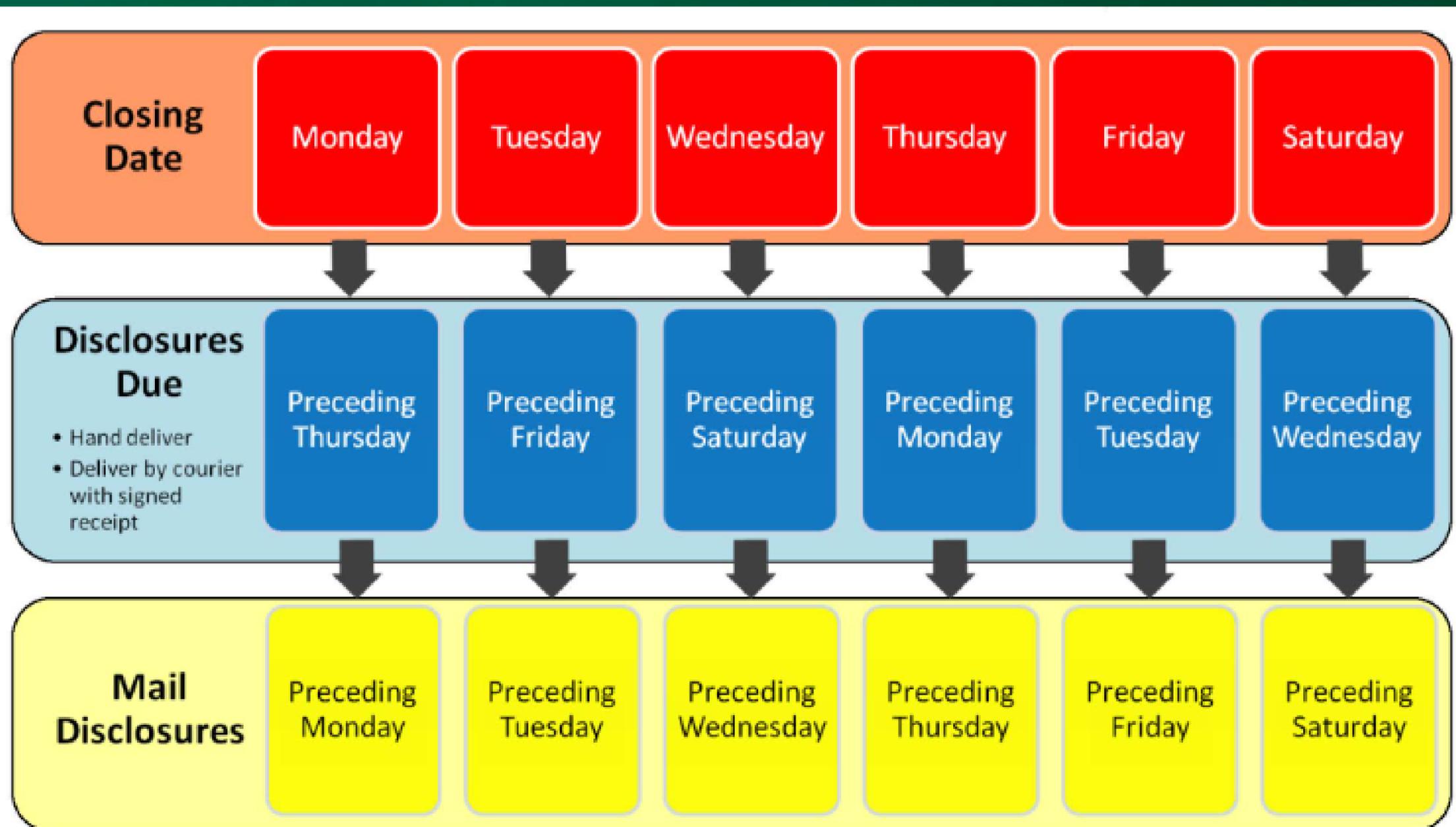
If you borrow more than this property is worth, the interest on the loan amount above this property's fair market value is not deductible from your federal income taxes. You should consult a tax advisor for more information.

Contact Information

	Lender	Mortgage Broker	Real Estate Broker (B)	Real Estate Broker (S)	Settlement Agent
Name	Legend Lending Corporation		Compass Re Texas, LLC	Compass Re Texas, LLC	Chicago Title Of Texas LLC
Address	17047 El Camino Real #150, Houston, TX 77059		4200 Westheimer Rd Ste 1000, Houston, TX 77027	4200 Westheimer Rd Ste 1000, Houston, TX 77027	1450 Lake Robbins Suite 120, The Woodlands, TX 77380
NMLS ID	229421				
TX License ID			9006927	9006927	1877327
Contact	Sonya Bersani		Saher Said	Michelle Marek	Kelli Davis
Contact NMLS ID	140571				1877372
Contact TX License ID			625937	627385	2597726
Email	sonya.bersani@legendhomelending.com		saher.said@compass.com	homes@michellemarek.com	kelli.davis@cctt.com
Phone			(832) 803-8887	(281) 782-5420	(281) 364-8110

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.



Note: If a federal holiday falls in the three-day period, add a day for disclosure delivery.

The three-day period is measured by days, not hours. Thus, disclosures must be delivered three days before closing, and not 72 hours prior to closing.

Disclosures may also be delivered electronically on the disclosures due date in compliance with E-Sign requirements.

**HOW DID YOU
ENJOY CLASS
TODAY?**

**PLEASE LEAVE
US A REVIEW!**



THANK YOU!

SONYA BERSANI
CE Provider #10623
LOAN ORIGINATOR NMLS 140571
DIRECT 267-934-2659

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