Understanding the **Wholesale** Loan Estimate (LE)

MSI Your Easiest Path to Mortgage Lending™

Information provided is for informational purposes only and intended for use with applications sent to MSI and should not be interpreted as legal advice

Wholesale issued LE Bank name and address should be blank

List name and mailing address of consumer(s) applying for loan. If there are multiple Applicants, use each Applicant's name and mailing address. An additional page may be added to the LE if the space provided is insufficient to list all of the Applicants.

3 Product Types: Adjustable, Step Rate or Fixed. Also disclose following features (if applicable) that may change periodic payment: Neg Am, IO, Step Pymt, Balloon Pymt and Seasonal Pymt. Include length of introductory period.

FICUS BANK

4321 Random Boulevard • Somecity, ST 12340

Save this Loan Estimate to compare with your Closing Disclosure.

Loan Estimate

Date LE is delivered or placed in the mail

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

For REFI, label is EST PROP VALUE or APPRAISED PROPERTY

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*

Wholesale issued LE Loan ID# should be blank

Date & Time (incl applicable time zone) when lock period ends (no earlier than the issued date) & Estimated closing costs expire must be disclosed (A minimum of 10 days from issued date is required).

Loan Terms		Can this amount increase after closing?
Loan Amount	$162,000	NO
Interest Rate	3.875%	NO
Monthly Principal & Interest *See Projected Payments below for your Estimated Total Monthly Payment*	$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

Interest rate at consummation. If ARM and rate not known, list fully indexed rate. % amounts may NOT be rounded and should be shown as three decimals. If rate is whole number, show whole number ONLY w/ no decimals.

Projected Payments

Disclose a Single Column Projected Payments Table if loan is a 30yr Fixed without MI

Projected Payments table may contain a maximum of four columns

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

MI includes any Mtg Guarantee that provides coverage similar to MI (VA/USDA Guar). If MI is not required, disclose "0".

Estimated Taxes, Insurance & Assessments *Amount can increase over time*	$206 a month	This estimate includes	In escrow?
		☒ Property Taxes	YES
		☒ Homeowner's Insurance	YES
		☐ Other:	

See Section G on page 2 for escrowed property costs. You must pay for other property costs separately.

Includes flood insurance

May Include: HOA dues, MI or additional taxes

Costs at Closing

Est Closing Costs must match Page 2, Box J of LE

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.*

This amount is the same as the Estimated Cash to Close, from the Calculating Cash to Close table on page 2 of the LE.

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

NOTE: *Page 2 Fees cannot show "0". If there is no value, the fee should be blank.*
NOTE: *Amounts disclosed under Loan Costs and Other Costs are rounded to the Nearest Whole Dollar.*
NOTE: *Costs Must Alphabetized.*

POINTS: a charge to reduce the interest rate. Show as a percentage of loan amount and dollar amount. If no points are charged, then leave BLANK both the percentage of points stated in the label and the dollar amount.

Closing Cost Details

Other Costs: Costs not required by the Creditor

Loan Costs

A. Origination Charges	**$1,802**
.25 % of Loan Amount (Points)	$405

Box A – 0% Tolerance

Contains Costs payable by Consumer to Creditor
Admin Fee, Processing (Affinity) Fee
Lender Paid Compensation (LO Comp Bucket) ***NOT*** *Disclosed on LE*
Borrower Paid Compensation ***IS*** *Disclosed in Box A*
Only items paid directly by the consumer to compensate a loan originator are Origination Charges.

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

0% Tolerance

Services You Cannot Shop For might include:
Government funding fee (such as a VA or USDA guarantee fee, or any other fee paid to a government entity as part of a governmental loan program),
Homeowner's association certification fee,
Title – Closing Protection Letter fee,
Title – Lender's Title Insurance Policy, and
Upfront MI Fee (unless fee is a prepayment of future premiums or a payment into an escrow account).

C. Services You Can Shop For	**$3,198**
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

All Title Related Fees must start with "Title" and be appended with a < dash > followed by specific fee name..

10% Tolerance is allowed for companies that shown on the Service Provider List if they are NOT an Affiliate. Affiliate charges are 0% Tolerance.
100% Tolerance is allowable if the borrower selects a company not provided on the Service Provider List

D. TOTAL LOAN COSTS (A + B + C)	**$5,672**

Other Costs

E. Taxes and Other Government Fees	**$85**
Recording Fees and Other Taxes	$85
Transfer Taxes	

Recording Fees are limited to fees associated with the recording of the documents.

Disclose only transfer taxes paid by Consumer.

F. Prepaids	**$867**
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		**$413**
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	**$1,017**
Title – Owner's Title Policy (optional)	$1,017

If "Other" cost not required by Creditor, must include the parenthetical description ***(optional)*** *at the end of the label.*

Examples of "Other" costs: Real Estate Commissions, Inspection Fees Required by Purchase Contract, HOA Fees associated with Transfer of Ownership.

I. TOTAL OTHER COSTS (E + F + G + H)	**$2,382**

J. TOTAL CLOSING COSTS	**$8,054**
D + I	$8,054
Lender Credits	

Lender Credits and YSP Credits are disclosed as an aggregated sum…as a negative number.

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
Estimated Cash to Close	$16,054

Amount of cash Consumer is expected to pay at consummation

Includes funds provided to the consumer from the proceeds of subordinate financing, local or State housing assistance grants, or other similar sources.

For Wholesale issued LE, ONLY...leave blank OR...

Lender: ***Mortgage Services III, LLC***

NMLS/_License ID: ***172606***

Phone: ***(309) 664-9100***

Additional Information About This Loan

LENDER	Ficus Bank	**MORTGAGE BROKER**	
NMLS/__ LICENSE ID		**NMLS/__ LICENSE ID**	
LOAN OFFICER	Joe Smith	**LOAN OFFICER**	
NMLS/__ LICENSE ID	12345	**NMLS/__ LICENSE ID**	
EMAIL	joesmith@ficusbank.com	**EMAIL**	
PHONE	123-456-7890	**PHONE**	

Disclose the Name and NMLS/___License ID number for the Mortgage Broker and the individual Loan Officer. Also, disclose the Email and/or Phone number of the individual LO. The person identified as the individual LO must be the primary contact for the consumer.

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.

Assumption Selection Options:
Fixed Rate Conventional: "Will not allow assumption..."
Conventional ARM / FHA / VA / USDA / GRH: "Will allow, under certain conditions...

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 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
☐ to service your loan. If so, you will make your payments to us.
☒ to transfer servicing of your loan.

If the LE is not signed by the borrower(s), then properly executed Appraisal and Servicing Disclosures are required to be signed and dated.

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 _____