

Ha esperado y trabajado tan arduamente y el gran día por fin ha llegado. Firmará pilas de documentos, entregará montones de dinero y finalmente tendrá las llaves de su nueva casa. El cierre completará la venta y le hará dueño de su casa. Analicemos lo que realmente sucede cuando se presenta para el cierre.

La información de este capítulo le ayudará a identificar los principales pasos y personas de negocios implicados en un cierre o cierre de la transacción. También estudiará diversas formas de ser propietario de una vivienda y cómo afectarán la venta o sucesión de su casa.

¿Quiénes participarán en el cierre?

Muchas personas podrían participar en la venta de una casa, pero el número de personas que asistirán al cierre variará de acuerdo con la ley estatal y costumbres locales. Usted verá probablemente al vendedor, al agente de bienes raíces del vendedor y de usted, a la persona que maneja el cierre como un abogado, un agente de custodia o un funcionario de cierre.

Podría estar presente el abogado en bienes raíces del vendedor. Si está comprando la propiedad con un socio como un cónyuge, otro familiar o un amigo, entonces deberán estar presentes o representados por un agente autorizado todas las personas cuyos nombres aparecen en los documentos del préstamo hipotecario. Si está comprando una casa en un desarrollo nuevo, como un complejo nuevo de apartamentos en condominio, podría ser parte de una ceremonia de cierre en grupo en la que el constructor pacta con varios propietarios a la vez. O el cierre podría ser en privado con usted y el agente de cierre solamente.

También podría decidir que un abogado en bienes raíces le asista en el momento del cierre. Si está preguntándose por qué necesitaría a su propio abogado, considere que podría haber preguntas legales que su agente de bienes raíces simplemente no pueda contestar. Si la compra es una FSBO, querrá estar seguro de que se han satisfecho todos los requisitos legales. Si está comprando una casa en un desarrollo habitacional nuevo, podría tratar solamente con los agentes de la constructora durante todo el proceso de compra. Además, su agente de bienes raíces no recibirá ninguna comisión hasta que se complete el cierre, de manera que los intereses de su agente de bienes raíces podrían no estar totalmente de acuerdo con los de usted el día del cierre. Los honorarios de abogado que paga en el cierre bien podrían compensar el hecho de evitar problemas más costosos en el futuro. El cierre podría ser tan poco complicado que no necesitará de un abogado, pero deberá sopesar el valor de tener uno.

La siguiente tabla proporciona un breve análisis de quiénes estarán implicados y qué hará cada persona en el cierre.

“Una definición honesta y correcta de los negocios es la utilidad mutua”.

— *William Feather*

Tabla 9-1: ¿Quiénes participarán en el cierre?

LAS PERSONAS	LO QUE HACEN	LO QUE OBTIENEN
Comprador	<ul style="list-style-type: none"> • Entrega el pago inicial. • Paga las cuotas de la transacción. 	<ul style="list-style-type: none"> • La escritura de la propiedad. • Un préstamo hipotecario nuevo o asumido. • Las llaves de la casa.
Vendedor	<ul style="list-style-type: none"> • Renuncia a la titularidad de la propiedad. • Paga las cuotas de la transacción. 	<ul style="list-style-type: none"> • La hipoteca existente se liquida o asume. • Ganancias por la venta.
Entidad crediticia/ prestamista	<ul style="list-style-type: none"> • Instruye al agente de cierre sobre los requisitos del cierre. • Otorga los fondos del préstamo hipotecario. 	<ul style="list-style-type: none"> • Cuotas por procesamiento del préstamo. • Pago de intereses del préstamo. • Garantía colateral (la casa)
Agente(s) de bienes raíces.	<ul style="list-style-type: none"> • Explica los documentos de cierre al comprador o vendedor. 	<ul style="list-style-type: none"> • Comisiones (un porcentaje del precio de venta)
Abogado en bienes raíces.	<ul style="list-style-type: none"> • Asesora o representa al comprador o vendedor. • Sirve como el agente de cierre. 	<ul style="list-style-type: none"> • Honorarios/cargos legales
Abogado en títulos de propiedad/ Compañía de títulos de propiedad	<ul style="list-style-type: none"> • Proporciona evidencia y seguros de que el título de propiedad está limpio y es transferible. • Sirve como el agente de cierre. 	<ul style="list-style-type: none"> • Honorarios/cargos legales
Agente de custodia.	<ul style="list-style-type: none"> • Acepta los fondos del comprador y el vendedor y los separa para pagar los impuestos, valoraciones y otras cuotas. • Sirve como el agente de cierre. 	<ul style="list-style-type: none"> • Cuotas/cargos
Agente de cierre	<ul style="list-style-type: none"> • Se asegura que se preparen, firmen y registren todos los documentos necesarios. • Cobra y paga las cuotas, pagos y comisiones. 	<ul style="list-style-type: none"> • Cuotas/cargos

¿Qué sucederá?

El cierre, o cierre de la transacción, es un proceso legal que completa la transferencia de la titularidad de la propiedad del vendedor al comprador. Asegura el interés de la entidad crediticia hipotecaria en la propiedad como garantía del préstamo, y garantiza que el cambio de titularidad se inscriba debidamente en los registros públicos.

Una vez que comience el proceso de cierre de compra de la casa, asegúrese de tomarse tiempo para leer cada documento y preguntar cualquier cosa que no comprenda. Necesitará estar seguro de los siguientes puntos importantes:

- La tasa de interés y otros términos del préstamo que le fueron prometidos cuando se aprobó su solicitud de préstamo.
- Los nombres y direcciones en todos los documentos son correctos.
- No se han sumado cuotas inexplicables a los costos de cierre.
- El precio de venta, el dinero depositado de buena fe y todo el pago inicial estén correctos en todos los documentos.
- Las cuotas ya liquidadas como el informe crediticio y el avalúo se incluyen como “pagado fuera de cierre” en los documentos de cierre para que no pague por duplicado los mismos servicios.
- Los números cuadran correctamente.

Es más que probable que los documentos que le entregarán estarán correctos, pero, en caso de que no lo estén, depende de usted señalar errores, por lo tanto siga adelante y solicite copias de todos los documentos uno o dos días antes de que tenga lugar el cierre. Podría decidir que un abogado en bienes raíces le asista. Recibirá copias de todos los documentos para su archivo personal. Guarde estos documentos juntos en un lugar seguro para futura consulta. Será necesario que conozca las cantidades de los impuestos e intereses hipotecarios que ha pagado cuando presente su declaración anual.

El proceso básico—Usted pagará el pago inicial, aceptará la responsabilidad por el préstamo hipotecario y recibirá el título de la propiedad. Usted y el vendedor pagarán todos los derechos y cargos asociados con la transacción, y el agente/corredor de bienes raíces recibirá sus comisiones u honorarios. El vendedor también recibirá cualquier ganancia de la venta. Se liquidará el préstamo hipotecario del vendedor, a menos que esté tomando un préstamo asumible. Una nueva escritura que le nombra como dueño de la propiedad se registrará ante las agencias de gobierno locales y estatales pertinentes. Por último, recibirá las llaves de su nueva casa.

“Un conocimiento de los detalles a menudo descubre un error antes de que se convierta en una catástrofe”.

— *Aimee Buchanon*

El pago al agente de cierre deberá efectuarse con un cheque bancario; no son aceptables los cheques personales. Si su banco hizo el cheque certificado a nombre de usted O del agente de cierre, cualquiera de

los dos puede firmarlo y depositarlo. De esa forma, si algo sale mal y no se completa la transacción, podrá depositar el cheque en su cuenta. Por favor no solicite el cheque a nombre de usted Y del agente porque ambos tendrían que firmarlo antes de depositarlo.

Establecer una fecha—El cierre normalmente tiene lugar 30 a 60 días después de que el vendedor acepta su oferta. Su agente de bienes raíces puede ayudarle a negociar una fecha de cierre conveniente que le dé tiempo al vendedor para hacer la limpieza, mantenimiento o reparaciones que usted incluyó como parte de su oferta. Si la casa es nueva, esto le dará tiempo para hacer una inspección final e identificar problemas que la constructora deberá corregir antes de que tome posesión. Tendrá tiempo para ordenar una póliza de seguro del propietario y enviar la póliza a la oficina del agente de cierre antes de la operación de cierre.

Tenga cuidado de verificar con la entidad crediticia antes de aceptar una fecha de cierre. Si la aprobación del préstamo hipotecario tiene una tasa de interés baja garantizada por un período de tiempo específico y las tasas de interés están aumentando, usted querrá cerrar antes de que termine este plazo. Si las tasas de interés están disminuyendo, podría sentirse menos presionado para apresurar el cierre.

Este período de 30-60 días también le dará tiempo a usted y al vendedor para hacer los arreglos de la mudanza. Puede darle a su arrendador el aviso habitual de 30 días para desocupar y recibir el depósito de seguridad que entregó sobre la vivienda en renta. El vendedor también podrá hacer arreglos para su nueva vivienda. En algunas áreas, podría ser habitual también que el vendedor mantenga la posesión de la propiedad unos dos o tres días más después del cierre, aunque no es obligatorio. A medida que se acerca la fecha de cierre, si el vendedor no puede o no está dispuesto a mudarse, podría necesitar la asesoría de un abogado en bienes raíces. El vendedor podría tener problemas con el cierre de otra casa para reemplazar la que usted acaba de comprar. Un abogado en bienes raíces puede explicarle sus opciones, incluyendo:

- Retrasar el cierre.
- Retrasar la toma de posesión de la propiedad.
- Obligar al vendedor a desocupar la propiedad.

Si elige retrasar el cierre, asegúrese de que la tasa de interés hipotecaria garantizada no vencerá y que no tendrá problemas de seguir en su vivienda actual. Si elige negociar, retrase entonces la toma de posesión de la propiedad, debido a que necesitará negociar con el vendedor cuánto tiempo durará exactamente el retraso. También tendrá que decidir cuáles serán las consecuencias financieras de este retraso. ¿El vendedor le pagará renta? En caso de ser así, ¿cuánto le pagará? Podría decidir la retención de algún dinero en una cuenta en custodia en el momento del cierre, de forma que el vendedor no reciba todas las ganancias de la venta hasta que la propiedad esté desocupada. Es posible que también desee negociar una inspección adicional de la propiedad antes de tomar posesión. Si no elige el retraso y opta por forzar al vendedor a desocupar, prepárese para tratar con un vendedor descontento en el cierre.

Procure no programar el cierre para un lunes. El cargo de los intereses del préstamo normalmente comienza el día hábil después del cierre. Si los documentos del préstamo se imprimen el viernes en anticipación al cierre de la transacción el día lunes, usted pagará intereses de tres días—el fin de semana—en lugar de uno. Algunas personas eligen una fecha de cierre cercana al final de mes porque el interés

prorratado que pagan en la operación de cierre es menor a finales que a principios de mes. Sin embargo, otras personas elegirán una fecha cercana al comienzo o mediados de mes porque los agentes estarán menos ocupados y habrá menos probabilidades de que cometan errores.

Su agente de bienes raíces o el funcionario de préstamos podrá decirle cuándo y dónde tendrá lugar el cierre formal. Podría ser en la oficina de la entidad crediticia, en la oficina de un abogado o un agente de cierre, o en otro sitio. **Documentos de cierre**—Usted saldrá con un fólder lleno de documentos, muchos de ellos con nombres extraños. Cada documento tiene un propósito específico y es exigido por la entidad crediticia, el gobierno federal o el gobierno de su localidad.

Deberán estar incluidos los siguientes documentos: **Informe de la operación de cierre HUD-1** — Este informe le ofrece al comprador y vendedor resúmenes y listas desglosadas de todos los costos implicados en el cierre. Pídala un día antes para que sepa, hasta el último centavo, la cantidad de dinero que tendrá que pagar mediante cheque certificado en el momento del cierre -- vea la línea 303 de la Tabla 9-2. Además, al obtener el Informe HUD-1 con un día de anticipación, podrá comparar los costos desglosados con los costos suministrados en el Cálculo de buena fe, y pedir aclaraciones de lo que no comprenda. El Informe HUD-1 toma en cuenta diversas cuestiones:

A. Settlement Statement (HUD-1)

B. Type of Loan					
1. <input type="checkbox"/> FHA	2. <input type="checkbox"/> RHS	3. <input type="checkbox"/> Conv. Unins.	6. File Number:	7. Loan Number:	8. Mortgage Insurance Case Number:
4. <input type="checkbox"/> VA	5. <input type="checkbox"/> Conv. Ins.				
C. Note: This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "(p.o.c.)" were paid outside the closing; they are shown here for informational purposes and are not included in the totals.					
D. Name & Address of Borrower:		E. Name & Address of Seller:		F. Name & Address of Lender:	
G. Property Location:		H. Settlement Agent: Your Name or Company Here		I. Settlement Date:	
		Place of Settlement:			
J. Summary of Borrower's Transaction			K. Summary of Seller's Transaction		
100. Gross Amount Due from Borrower			400. Gross Amount Due to Seller		
101. Contract sales price			401. Contract sales price		
102. Personal property			402. Personal property		
103. Settlement charges to borrower (line 1400)			403.		
104.			404.		
105.			405.		
Adjustment for items paid by seller in advance			Adjustments for items paid by seller in advance		
106. City/town taxes	to	/yr.	406. City/town taxes	to	/yr.
107. County taxes	to	/yr.	407. County taxes	to	/yr.
108. Assessments	to	/yr.	408. Assessments	to	/yr.
109.			409.		
110.			410.		
111.			411.		
112.			412.		
120. Gross Amount Due from Borrower			420. Gross Amount Due to Seller		
200. Amounts Paid by or in Behalf of Borrower			500. Reductions in Amount Due to Seller		
201. Deposit or earnest money			501. Excess deposit (see instructions)		
202. Principal amount of new loan(s)			502. Settlement charges to seller (line 1400)		
203. Existing loan(s) taken subject to			503. Existing loan(s) taken subject to		
204.			504. Payoff of first mortgage loan		
205.			505. Payoff of second mortgage loan		
206.			506.		
207.			507.		
208.			508.		
209.			509.		
Adjustments for items unpaid by seller			Adjustments for items unpaid by seller		
210. City/town taxes	to	/yr.	510. City/town taxes	to	/yr.
211. County taxes	to	/yr.	511. County taxes	to	/yr.
212. Assessments	to	/yr.	512. Assessments	to	/yr.
213.			513.		
214.			514.		
215.			515.		
216.			516.		
217.			517.		
218.			518.		
219.			519.		
220. Total Paid by/for Borrower			520. Total Reduction Amount Due Seller		
300. Cash at Settlement from/to Borrower			600. Cash at Settlement to/from Seller		
301. Gross amount due from borrower (line 120)			601. Gross amount due to seller (line 420)		
302. Less amounts paid by/for borrower (line 220)			602. Less reductions in amount due seller (line 520)		
303. Cash <input type="checkbox"/> From <input type="checkbox"/> To Borrower			603. Cash <input type="checkbox"/> From <input type="checkbox"/> To Seller		

L. Settlement Charges

700. Total Real Estate Broker Fees		Paid From Borrower's Funds at Settlement	Paid From Seller's Funds at Settlement
Division of commission (line 700) as follows:			
701. \$	to		
702. \$	to		
703. Commission paid at settlement			
704. Listing Agent Earnest Money Retention			
705.			

800. Items Payable in Connection with Loan			
801. Our origination charge		(from GFE #1)	
802. Your credit or charge (points) for the specific interest rate chosen		(from GFE #2)	
803. Your adjusted origination charges		(from GFE A)	
804. Appraisal fee to		(from GFE #3)	
805. Credit report to		(from GFE #3)	
806. Tax service to		(from GFE #3)	
807. Flood certification		(from GFE #3)	
808.			
809.			
810.			
811.			
812.			
813.			

900. Items Required by Lender to Be Paid in Advance			
901. Daily interest charges from	to	@ \$ /day	(from GFE #10)
902. Mortgage insurance premium for	months to		(from GFE #3)
903. Homeowner's insurance for	years to		(from GFE #11)
904.			
905.			

1000. Reserves Deposited with Lender			
1001. Initial deposit for your escrow account			(from GFE # 9)
1002. Homeowner's insurance	months @ \$	/mo.	
1003. Mortgage insurance	months @ \$	/mo.	
1004. Property taxes	months @ \$	/mo.	
1005.	months @ \$	/mo.	
1006.	months @ \$	/mo.	
1007.	months @ \$	/mo.	
1008. Aggregate Adjustment -			

1100. Title Charges			
1101. Title services and lender's title insurance			(from GFE #4)
1102. Settlement or closing fee to			
1103. Owner's title insurance			(from GFE #5)
1104. Lender's title insurance			
1105. Lender's title policy limit			
1106. Owner's title policy limit			
1107. Agent's portion of the total title insurance premium	to		
1108. Underwriter's portion of the total title insurance premium	to		
1109.			
1110.			
1111.			
1112.			
1113.			
1114.			

1200. Government Recording and Transfer Charges			
1201. Government recording charges			(from GFE #7)
1202. Deed	Mortgage	Releases	
1203. Transfer taxes			(from GFE #8)
1204. City/County tax/stamps	Deed	Mortgage	
1205. State tax/stamps	Deed	Mortgage	
1206.			
1207.			
1208.			

1300. Additional Settlement Charges			
1301. Required services that you can shop for			(from GFE #6)
1302.			
1303.			
1304.			
1305.			
1306.			
1307.			

1400. Total Settlement Charges (enter on lines 103, Section J and 502, Section K)

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		
Your credit or charge (points) for the specific interest rate chosen	# 802		
Your adjusted origination charges	# 803		
Transfer taxes	# 1203		

Charges That in Total Cannot Increase More Than 10%		Good Faith Estimate	HUD-1
Government recording charges	# 1201		
	#		
	#		
	#		
	#		
	#		
	#		
	#		

Total	
Increase between GFE and HUD-1 Charges	\$

Charges That Can Change		Good Faith Estimate	HUD-1
Initial deposit for your escrow	# 1001		
Daily interest charges	# 901	/day	
Homeowner's insurance	# 903		
	#		
	#		
	#		
	#		
	#		
	#		
	#		

HUD-1 Statement Continued

Loan Terms	
Your initial loan amount is	\$
Your loan term is	
Your initial interest rate is	%
Your initial monthly amount owed for principal, interest, and any mortgage insurance is	<p>\$ includes</p> <p><input type="checkbox"/> Principal</p> <p><input type="checkbox"/> Interest</p> <p><input type="checkbox"/> Mortgage Insurance</p>
Can your interest rate rise?	<p><input 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 .</p> <p>Every change date, your interest rate can increase or decrease by % .</p> <p>Over the life of the loan, your interest rate is guaranteed to never be lower than % or higher than % .</p>
Even if you make payments on time, can your loan balance rise?	<input 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?	<p><input type="checkbox"/> No <input type="checkbox"/> Yes, the first increase can be on and the monthly amount owed can rise to \$.</p> <p>The maximum amount it can ever rise to is \$.</p>
Does your loan have a prepayment penalty?	<input type="checkbox"/> No <input type="checkbox"/> Yes, your maximum prepayment penalty is \$.
Does your loan have a balloon payment?	<input type="checkbox"/> No <input type="checkbox"/> Yes, you have a balloon payment of \$ due in years on .
Total monthly amount owed including escrow account payments.	<p><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.</p> <p><input type="checkbox"/> You have an additional monthly escrow payment of \$ that results in a total initial monthly amount owed of \$ This includes principal, interest, any mortgage insurance and any items checked below:</p> <p><input type="checkbox"/> Property taxes <input type="checkbox"/> Homeowner's insurance</p> <p><input type="checkbox"/> Flood insurance <input type="checkbox"/></p> <p><input type="checkbox"/> <input type="checkbox"/></p>

Important items to check on a HUD-1 Statement:

- Make sure the seller's name and address fields are correct before you sign the document.
- Make sure the lender's name and address fields are correct before you sign the document.
- Note the address, date and time listed in the Place of Settlement and Settlement Date fields so you can make sure you know when and where the closing will take place.
- Make sure you understand everything in the document before you sign. Don't be afraid to ask questions.

HUD Good Faith Estimate (GFE)

Name of Originator	Your Name or Company Here	Borrower	
Originator Address		Property Address	
Originator Phone Number			
Originator Email		Date of GFE	

Purpose This GFE gives you an estimate of your settlement charges and loan terms if you are approved for this loan. For more information, see HUD's Special Information Booklet on settlement charges, your Truth-in-Lending. Disclosures, and other consumer information at www.hud.gov/respa. If you decide you would like to proceed with this loan, contact us.

Shopping for your loan Only you can shop for the best loan for you. Compare this GFE with other loan offers, so you can find the best loan. Use the shopping chart on page 3 to compare all the offers you receive.

- Important dates**
1. The interest rate for this GFE is available through _____. After this time, the interest rate, some of your loan Origination Charges, and the monthly payment shown below can change until you lock your interest rate.
 2. This estimate for all other settlement charges is available through _____.
 3. After you lock your interest rate, you must go to settlement within _____ days (your rate lock period) to receive the locked interest rate.
 4. You must lock the interest rate at least _____ days before settlement.

Summary of your loan

Your initial loan amount is	\$ _____
Your loan term is	_____
Your initial interest rate is	_____ %
Your initial monthly amount owed for principal, interest, and any mortgage insurance is	\$ _____ per month
Can your interest rate rise?	<input type="checkbox"/> No. <input type="checkbox"/> Yes, it can rise to a maximum of _____ %. The first change will be in _____.
Even if you make payments on time, can your loan balance rise?	<input 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 type="checkbox"/> No. <input type="checkbox"/> Yes, the first increase can be on _____ and the monthly amount owed can rise to _____ . The maximum amount it can ever rise to is \$ _____.
Does your loan have a prepayment penalty?	<input type="checkbox"/> No. <input type="checkbox"/> Yes, your maximum prepayment penalty is \$ _____.
Does your loan have a balloon payment?	<input type="checkbox"/> No. <input type="checkbox"/> Yes, you have a balloon payment of \$ _____ due in _____ years..

Escrow account information

Some lenders require an escrow account to hold funds for paying property taxes or other property related charges in addition to your monthly amount owed of \$ _____.

Do we require you to have an escrow account for your loan?

No, you do not have an escrow account. You must pay these charges directly when due.

Yes, you have an escrow account. It may or may not cover all of these charges. Ask us.

Summary of your settlement charges

A	Your Adjusted Origination Charges (See page 2.)	\$ _____
B	Your Charges for All Other Settlement Services (See page 2.)	\$ _____
A	+ B Total Estimated Settlement Charges	\$ _____

Understanding your estimated settlement charges

Your Adjusted Origination Charges		
1. Our origination charge. This charge is for getting this loan for you.		\$
2. Your credit or charge (points) for the specific interest rate chosen <input type="checkbox"/> The credit or charge for the interest rate of _____ % is included in "Our origination charge." (See item 1 above.) <input type="checkbox"/> You receive a credit of \$ _____ for this interest rate of _____ %. <input type="checkbox"/> This credit reduces your settlement charges. <input type="checkbox"/> You pay a charge of \$ _____ for this interest rate of _____ %. This charge (points) increases your total settlement charges. The tradeoff table on page 3 shows that you can change your total settlement charges by choosing a different interest rate for this loan.		\$
A	Your Adjusted Origination Charges	\$

Some of these charges can change at settlement. See the top of page 3 for more information.

Your Charges for All Other Settlement Services				
3. Required services that we select. These charges are for services we require to complete your settlement. We will choose the providers of these services.				\$
Service	Charge	Service	Charge	
4. Title services and lender's title insurance This charge includes the services of a title or settlement agent, for example, and title insurance to protect the lender, if required.				\$
5. Owner's title insurance You may purchase an owner's title insurance policy to protect your interest in the property.				\$
6. Required services that you can shop for These charges are for other services that are required to complete your settlement. We can identify providers of these services or you can shop for them yourself. Our estimates for providing these services are below.				\$
Service	Charge	Service	Charge	\$
				\$
				\$
7. Government recording charges. These charges are for state and local fees to record your loan and title documents.				\$
8. Transfer taxes. These charges are for state and local fees on mortgages and home sales.				\$
9. Initial deposit for your escrow account This charge is held in an escrow account to pay future recurring charges on your property and includes all property taxes, all insurance, and other				\$
10. Daily interest charges This charge is for the daily interest on your loan from the day of your settlement until the first day of the next month or the first day of your normal mortgage payment cycle. This amount is \$ _____ per day for _____ days (if your settlement is _____).				\$
11. Homeowner's insurance. This charge is for the insurance you must buy for the property to protect from a loss, such as fire.				\$
Policy	Charge	Policy	Charge	
B Your Charges for All Other Settlement Services				\$
A + B Total Estimated Settlement Charges				\$

Instructions

This GFE estimates your settlement charges. At your settlement, you will receive a HUD-1, a form that lists your actual costs. Compare the charges on the HUD-1 with the charges on this GFE. Charges can change if you select your own provider and do not use the companies we identify. (See below for details.)

Understanding which charges can change at settlement

These charges cannot increase at settlement:	The total of these charges can increase up to 10% at settlement:	These charges can change at settlement:
<ul style="list-style-type: none"> • Our origination charge • Your credit or charge (points) for the specific interest rate chosen <i>(after you lock in your interest rate)</i> • Your adjusted origination charges <i>(after you lock in your interest rate)</i> • Transfer taxes 	<ul style="list-style-type: none"> • Required services that we select • Title services and lender's title insurance <i>(if we select them or you use companies we identify)</i> • Owner's title insurance <i>(if you use companies we identify)</i> • Required services that you can shop for <i>(if you use companies we identify)</i> • Government recording charges 	<ul style="list-style-type: none"> • Required services that you can shop for <i>(if you do not use companies we identify)</i> • Title services and lender's title insurance <i>(if you do not use companies we identify)</i> • Owner's title insurance <i>(if you do not use companies we identify)</i> • Initial deposit for your escrow account • Daily interest charges • Homeowner's insurance

Using the tradeoff table

In this GFE, we offered you this loan with a particular interest rate and estimated settlement charges. However:

- If you want to choose this same loan with **lower settlement charges**, then you will have a **higher interest rate**.
- If you want to choose this same loan with a **lower interest rate**, then you will have **higher settlement charges**.

If you would like to choose an available option, you must ask us for a new GFE.

Loan originators have the option to complete this table. Please ask for additional information if the table is not completed.

	The loan in this GFE	The same loan with lower settlement charges	The same loan with a lower interest rate
Your initial loan amount	\$	\$	\$
Your initial interest rate ¹	%	%	%
Your initial monthly amount owed	\$	\$	\$
Change in the monthly amount owed from this GFE	No change	You will pay \$ more every month	You will pay \$ less every month
Change in the amount you will pay at settlement with this interest rate %	No change	Your settlement charges will be reduced by \$	Your settlement charges will increase by \$
How much your total estimated settlement charges will be	\$	\$	\$

¹ For an adjustable rate loan, the comparisons above are for the initial interest rate before adjustments are made.

Using the shopping chart

Use this chart to compare GFEs from different loan originators. Fill in the information by using a different column for each GFE you receive. By comparing loan offers, you can shop for the best loan.

	This loan	Loan 2	Loan 3	Loan 4
Loan originator name				
Initial loan amount				
Loan term				
Initial interest rate	%			
Initial monthly amount owed				
Rate lock period				
Can interest rate rise?				
Can loan balance rise?				
Can monthly amount owed rise?				
Prepayment penalty?				
Balloon payment?				
Total Estimated Settlement Charges				

If your loan is sold in the future

Some lenders may sell your loan after settlement. Any fees lenders receive in the future cannot change the loan you receive or the charges you paid at settlement.

The Truth-in-Lending Act is aimed at promoting the informed use of consumer credit by requiring disclosures about terms and costs.

SAMPLE TRUTH-IN-LENDING DISCLOSURE STATEMENT
(THIS IS NEITHER A CONTRACT NOR A COMMITMENT TO LEND)

Applicants:
Property Address:
Application No:

Because you may be paying points and other fees, the APR disclosed is often higher than the interest rate on your loan. The APR can be compared to other loans to give you a fair method of comparing prices.

Prepared By:
Date Prepared:

The mortgage amount minus prepaid finance charges (loan origination fees, points, adjusted interest and initial mortgage insurance premium) and any required balance. It represents a net figure to allow you to accurately assess the amount of credit actually provided.

ANNUAL PERCENTAGE RATE The cost of your credit as a yearly rate %	FINANCE CHARGE The dollar amount the credit will cost you \$	AMOUNT FINANCED The amount of credit provided to you or on your behalf \$	TOTAL OF PAYMENTS The amount you will have paid after making all payments as scheduled \$
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The estimated total amount you will have paid, including principal, interest, prepaid finance charges and mortgage insurance, if you make minimum payments for the entire loan term.

REQUIRED DEPOSIT: The annual percentage rate does not take into account your required deposit

PAYMENTS: Your payment schedule will be:

Number of Payments	Amount of Payments**	When Payments Are Due	Number of Payments	Amount of Payments**	When Payments Are Due	Number of Payments	Amount of Payments**	When Payments Are Due
		Monthly Beginning:			Monthly Beginning:			Monthly Beginning:

Principal, interest and mortgage insurance if applicable.

The estimated total amount of interest payments for the term of the loan, the amount of interest paid at closing, origination fee and any other charges paid to the lender.

Defines circumstances under which the remaining principal and interest amount of the loan is due and payable on demand.

DEMAND FEATURE: This obligation has a demand feature.

VARIABLE RATE FEATURE: This loan has a variable rate feature. A variable rate disclosure has been provided earlier.

CREDIT LIFE/CREDIT DISABILITY: Credit life insurance and credit disability insurance are not required to obtain credit, and will not be provided unless you sign and agree to pay the additional cost.

Type	Premium	Signature
Credit Life		I want credit life insurance. Signature:
Credit Disability		I want credit disability insurance. Signature:
Credit Life and Disability		I want credit life and disability insurance. Signature:

INSURANCE: The following insurance is required to obtain credit:

Credit life insurance Credit disability Property insurance Flood insurance

You may obtain the insurance from anyone you want that is acceptable to creditor

If you purchase property flood insurance from creditor you will pay \$ for a one year term.

SECURITY: You are giving a security interest in:

The goods or property being purchased Real property you already own

FILING FEES: \$ An estimate of the cost of recording the legal documents (mortgage or deed of trust) connected with the transaction, which will be charged at closing.

LATE CHARGE: If a payment is more than days late, you will be charged % of the payment

Defines whether a fee will be charged and if you would be eligible for a refund if you wish to repay part or all of the loan in advance of the regular schedule. If you are not entitled to a refund, you will be charged interest for the period of time you used the money loaned to you. Your prepaid finance charges and any interest already paid are generally not refundable. If you pay the loan off early, you should not have to pay the full amount of the finance charges shown on the disclosure.

PREPAYMENT: If you pay off early, you

may will not have to pay a penalty.
may will not be entitled to a refund of part of the finance charge.

ASSUMPTION: Someone buying your property

may may, subject to condition may not assume the remainder of your loan on the original terms.

Defines whether or not the loan can be passed on from a seller of a home to another buyer, where the buyer "assumes" all outstanding payments.

See your contract documents for any additional information about nonpayment, default, any required repayment in full before the scheduled date and prepayment refunds and penalties.

** NOTE: The Payments shown above include reserve deposits for mortgage insurance (if applicable), but exclude property taxes and insurance.

THE UNDERSIGNED ACKNOWLEDGES RECEIVING A COMPLETED COPY OF THIS DISCLOSURE.

(Applicant) (Date)

(Lender) (Date)

Lenders are required by law to provide the information on this statement in a timely manner. Your signature merely indicates that you received this information and does not obligate you or the lender in any way.

