



3016 S. Halsted Street Chicago, Illinois 60618

Richland Mortgage, requires the use of Title Companies, Credit Reporting Bureaus, Appraisers, and other settlement service providers who meet our standards in regard to quality products and services. These providers are selected from a lender-controlled or lender approved list. A list of providers is available upon request. The Good Faith Estimate is based on the customary charges of these providers.

The actual charges are determined by the "market price" as such they are not under a Broker's control, the name of the settlement service company will be disclosed on your HUD-1 or HUD-1(a) Settlement Statement, which is customarily available for inspection 24 hours before your closing date, provided by the title closer assigned to prepare the HUD1. The following is a list of anticipated costs for services:

Settlement Services	Range of Costs	Settlement Services	Range of Costs
Appraisers (1-4) units-paid at appointment	\$225-\$800	Title Companies- Refi/Purch	\$250-\$1,500
Attorneys	\$250-\$2,000	Pest Inspection Co's	\$100-\$250
Surveyors	\$150-\$300	Couriers	\$25 -\$200
Lender Underwrite Fees**	\$500-\$900	Credit Report Bureaus	\$12 -\$100
Processing Companies	\$350-\$500	Private Mtg. Insurance	\$300-\$3000
-Set up Escrows - Taxes and/or Insurance		2-8 mos. Depending on Date of 1 <sup>st</sup> mtg. payment	
-Homeowners Insurance Companies		\$250-\$2,000 yearly based on insurable value	
-Property Taxes		estimated at 2% of Sales Price yearly in Chicago	

**Lender Underwrite Options**      \*\* Lender's also charge fees for various 'Options'

Waiver of Escrow of Taxes and Insurance	.250% of loan amount
Low Loan Amount	.125%-.375% of loan amount
2 <sup>nd</sup> Mortgage Combination	.50%-1% of loan amount
Jumbo Products (over \$322,700 LA)	0-.25% of loan amount/rate
Non-Owner Occupied (Investment)	1.5%-2.5+% of loan amount
Waive Pre-Payment Penalty-	loans w/8% or less interest rate up to 1% per penalty year waived
Condo/ High Rise	.75% to 1% of loan amount
Stated/ No Income Verification/No Income-No Asset Verification	.25%-2% to rate or cost
Lender Financing of Closing Costs	0 up to 3.5% of loan amount

All or none of the fees listed under Lender Options may apply to your loan application. Each Lender is unique & their program options are also unique therefore, actual charges would be disclosed after a Lender has been selected & has been provided a loan package detailing the Property, Program & Borrower chosen options (risk hits). This notice is provided to anticipate situations which affect Interest Rates or Closing Costs, to give a more accurate picture of the costs associated with Approval of Loan Packages.

Copy of this disclosure was given to the borrower (s) at the time of application.

Borrower \_\_\_\_\_ Co-Borrower \_\_\_\_\_



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## Notes to help you understand the Good Faith Estimate Enclosed

### Section's 800, 1100, 1200-

This is where most third party charges are broken down. Mortgage Broker fees, Appraisal, Credit, Processing, and Title/Recording. Lender fees which include charges noted in the lender "options" area- like Escrow Waiver or Non-Owner Occupied charge, etc. These fees are the direct charges, not included in the Interest rate that are passed onto you, the borrower, they are not allowed to be "padded" by the Mortgage Brokerage. They are estimated as closely as possible so that all parties can plan for their occurrence on the day of closing.

Keep in mind, other than "Our" company's fees which we have control of; third parties, control their pricing via the free-market price common for these services.

### Section 900-

This area outlines the per diem (daily) cost of the financing for every day that you use from the day you close, to the end of the month. Lenders expect payments to be due upon the next 1<sup>st</sup> of the month "following" your closing date.

On purchases the property also needs a full years Home Insurance policy to be issued and paid for as part of the closing requirements.

### Section 1000-

This section typically varies from a 2-8 month reserve requirement- based on the month in which you close the loan. If you choose to escrow Property Taxes and/or Insurance the "Building of" the escrow account can be substantial to make sure the new lender has the funds to pay the bills when they become payable. An estimated # of months of withholding based on the anticipated closing date is noted here in case you wish to have the lender make your Property Tax/Insurance payments for you.

### Section 1300-

If the Lender is going to participate in any type of financing of your closing costs, the estimated amount they will be paying, which is based on the current market interest rate/YSP quoted, is listed here. This amount changes like the stock market but it would be no more than listed or any overage goes towards paying down the closing costs or by lowering the Interest rate. Your intentions prevail on what is ultimately done regarding the rates/YSP.

Finally, The Settlement Statement is the final reflection of the actual costs associated with your particular loan. It is available at the closing and at the same time your appraisal will be forwarded to you. As the actual statements come in, your loan officer will make you aware so that you can plan for your close date with confidence.