



# Uniform Closing Dataset (UCD) Specification

Issued by Fannie Mae and Freddie Mac

Appendix F: UCD Sample Use Case

Refinance/ARM Using the Model Form

Document Version 1.8

May 1, 2023

In support of the  
Integrated Mortgage Closing Disclosure under the  
Real Estate Settlement Procedures Act (Regulation X)  
and the Truth In Lending Act (Regulation Z)  
Issued by the CONSUMER FINANCIAL PROTECTION BUREAU  
Published in the Federal Register on December 31, 2013

## Revision History

Date	Version #	Descriptions
May 1, 2023	1.8	<ul style="list-style-type: none"> <li>• Refinance transaction on the Model Form (Payoffs and Payments items listed in 11.4)</li> <li>• Updated example dates</li> <li>• No escrows</li> <li>• Removed Endnotes</li> <li>• Removed footnote regarding plug numbers under Loan Calculations</li> <li>• Updated copyright year</li> <li>• Revised Introduction, added section for Narrative and updated QM Data Points</li> <li>• Updated footers</li> <li>• Added section "Differences Using the Model Form for a Refinance from the Alternate Form"</li> </ul>
December 11, 2018	1.7	<p>Updated dates to 2018</p> <p>Removed bullet point 2 from section C under "Using this Reference" - does not apply to test case</p> <p>18.6 - Amount updated to include 161.77/mo. of Mortgage Insurance (MI)</p> <p>Two PARTY containers for PartyRoleType="LoanDeliveryFilePreparer"</p>
January 31, 2017	1.6	<p>GSE - Corrected case on value for RegulationZExcludedBonaFideDiscountPointsIndicator.</p> <p>1.6 – Added period to Ave. to match XML file.</p> <p>10.1.1, 10.9.1 – Corrected values to match XML file.</p> <p>17.6 – Corrected value of state from ST to NY</p> <p>25.1 – Corrected first line item description capitalization to match XML</p> <p>Restructured Section F – Assumptions for XML File Creation.</p> <p>Removed End Notes.</p>
September 27, 2017	1.5	<ul style="list-style-type: none"> <li>• Changed Settlement Agent's state code from 'ST' to 'NY'</li> </ul>
June 17, 2016	1.4	<p>Closing Information – updated property state to NY</p> <ul style="list-style-type: none"> <li>• Transaction Information <ul style="list-style-type: none"> <li>• Borrower's Address updated state to NY</li> </ul> </li> <li>• Contact information updated address for: <ul style="list-style-type: none"> <li>• Lender's state to NY</li> <li>• Lender's zip code to 12345</li> <li>• Settlement Agent's state to NY</li> <li>• Settlement Agent's zip code to 12345</li> </ul> </li> <li>• Contact information updated ST License ID for: <ul style="list-style-type: none"> <li>• Settlement Agent's ST to NY</li> </ul> </li> </ul>
March 29, 2016	1.3	<ul style="list-style-type: none"> <li>• Front matter - added PartyRoleType = LoanDeliveryFilePreparer</li> <li>• Front matter – added PartyRoleIdentifier = 999999</li> <li>• Projected Payment Table – removed dollar sign (\$) from the Mortgage Insurance row and the Estimated Escrow row</li> </ul>
November 17, 2015	1.2	<ul style="list-style-type: none"> <li>• Front matter – added ActualSignatureType</li> <li>• Front matter - IdentifierOwnerURIs</li> <li>• Front matter – PropertyValuationAmount</li> <li>• Front matter – PropertyValuationMethodType</li> <li>• Modified values in Loan Terms table</li> <li>• Rounded P&amp;I values in the Projected Payments table</li> </ul>

		<ul style="list-style-type: none"> <li>• Back matter – updated cross references</li> </ul>
<b>February 24, 2015</b>	<b>1.1</b>	<ul style="list-style-type: none"> <li>• Updated information in ‘Assumptions for the XML file creation’</li> <li>• Corrected statements in 4.2.3 and 4.3.3</li> <li>• Removed value in 9.2.6</li> <li>• Corrected value in 10.9.1</li> <li>• Removed Loan Acceptance statement in 22.1</li> </ul>
<b>July 15, 2014</b>	<b>1.0</b>	Initial version

## I. Introduction

In conjunction with the Uniform Closing Dataset (UCD) Specifications, the Government Sponsored Entities (GSEs) are providing five sample use cases that deal with standard types of loan transactions delivered to the GSEs. They are:

- Fixed Rate Loans
- Adjustable Rate (ARM) loans
- Purchase Transactions
- Refinance Transactions
- Construction Loans

In addition to these transactions, each use case will have some unique qualities that can assist in developing UCD files that will pass all Critical Edits published by the GSEs. The Use Cases will be provided in Appendix F – UCD Sample Use Cases - each of which will have Closing Disclosure samples in addition to narratives describing the aspects of the transaction. In addition to the Use Cases, a Use Case Matrix in Excel format which will summarize the aspects of each Use Case.

Also provided by the GSEs is Appendix G – UCD XML Sample Use Cases which are sample eXtensible Markup Language (XML) files that can be used as a guideline in delivering UCD XML files to the GSEs. The data in these files is in sync with each respective Use Case in Appendix F of the same name.

## II. Use Case Narrative

### Transaction Details and Parties Involved

Michael Jones and Mary Stone are refinancing their home at 456 Somewhere Ave, Anytown, NY 12345. They are taking out a 30-year adjustable rate loan from Ficus Bank. Joe Smith of Ficus is the loan officer and Sarah Arnold of Epsilon Title Company is the settlement agent. Ficus Bank is licensed by the Nationwide Multistate Licensing System (NMLS) with #9988776655 and Joe Smith is also licensed with the NMLS with #1234567890. Epsilon Title Company and Sarah Arnold are both licensed in the state of NY.

### Loan Details

The \$211,000 30-year adjustable rate loan starts at 4% and may first change interest rate after 5 years by up to 2% maximum. The loan can also change up to 2% every 3 years after the initial 5 years with an interest rate cap of 12%. The interest rate is based on a 30-Day SOFR rate (currently 3.8%) with a 0.2% margin. The initial Principal and Interest (P&I) Payment is \$1,007.35 with a maximum possible P&I payment of \$1,870. Michael & Mary are also required to pay \$161.77 monthly in Mortgage Insurance for the first 11 years of the loan.

### Closing Costs – Loan Costs

The Borrowers will pay \$6,745 in Loan Costs. The Borrowers will pay \$2,860 to Ficus Bank to originate the loan including 1% in Loan Discount Points which totals \$2,110. Lender required fees totaling \$1,650 which is broken out as follows:

- The Borrowers paid \$455 before closing for an Appraisal Review Fee and Credit Report Fee
- The Lender required the Borrowers to use their vendors to pay for an Escrow Waiver Fee, Flood Certification Fee and Property Tax Status Research Fee totaling \$390.
- The Borrowers paid \$200 to a pest control company they selected.

The Borrowers paid Epsilon Title company \$2,850 for Document Preparation, Closing Protection Letter and Insurance Binder Fees and \$800 for Lenders Coverage Premium.

## Closing Costs – Other Costs

The Borrowers will pay \$4,981.81 in Loan Costs. The Borrowers paid \$145 in recording fees for Mortgage. The Borrower prepaid \$3,86.81 which covered 12 months of Homeowners Insurance, one month of Mortgage Insurance, 16 days of Prepaid Interest and six months of County Property Taxes.

The Borrowers paid \$850 for a home inspection.

## Total Closing Costs including Lender Credits (if applicable)

The Borrower confirmed closing costs to be \$11,226.81 of which \$445 is paid before closing and a Lender credit of \$500 was included.

## Additional Transaction Funds

The Loan Amount of \$211,000 will be used to pay off an existing Mortgage Loan held by Rho Servicing of \$183,000, credit card debt of \$5,000 to Beta Card Inc., \$12,000 mechanic's lien to Bob's Home Improvement and a tax lien of \$10,000 to the state of NY.

## Additional Closing Information

The loan is assumable and has a late charge of 5% of the P&I payment with a 15-day grace period. The loan does not allow for partial payments. The loan has an APR of 4.418%. Should the loan go into foreclosure, state law does not protect the Borrowers from being liable for any remaining unpaid balance. The Borrowers will pay approximately \$736.77 for homeowner's insurance, property taxes and Homeowners Association Dues which they will not escrow for. To handle these items without escrow, Michael & May are required to pay a \$150 Escrow Waiver Fee.

## III. Qualified Mortgage Data Points

The following required Qualified Mortgage (QM) data points are provided in the XML file only.

- AbilityToRepayMethodType = **General**
- AveragePrimeOfferRatePercent = **6.67%**
- LoanPriceQuoteInterestRatePercent = **1%**
- RegulationZExcludedBonaFideDiscountPointsPercent = **1%**
- RegulationZExcludedBonaFideDiscountPointsIndicator = **true**
- RegulationZTotalAffiliateFeesAmount = **\$200**
- RegulationZTotalLoanAmount = **\$207,415**
- RegulationZTotalPointsAndFeesAmount = **\$3,585**

## IV. Differences Using the Model Form for a Refinance from the Alternate Form

The main purpose of this Use Case is to provide a sample of a Refinance transaction using the Closing Disclosure Model Form. There are two main sections that vary from using the Closing Disclosure Alternate Form for a Refinance transaction.

- 1) The Cash To Close table required different values between the Model and Alternate Form.
- 2) On the Alternate Form, there is a Payments and Payoffs table. The values from that table will be placed in the Model Form section K. Due From Borrower At Closing. Section L. Paid Already by or on Behalf of Borrower at Closing is not on the Alternate Form, but must be completed on the Model Form to ensure that the difference between K & L matches the amount due from/to Borrower in the Cash To Close table.

## V. Calculations Disclaimer

Any calculations provided in this Use Case were derived by the GSEs based on the knowledge of the definition of terms and knowledge of the Consumer Financial Protection Bureau (CFPB) regulations. While the GSEs strive to provide accurate values in this example, they acknowledge that lenders and technology providers may come up with alternate values based off the same knowledge. If your calculations vary from the GSEs calculations, the GSEs recommend using the values derived at your organization.

## VI. Resources

Resources are available on the [Fannie Mae UCD page](#) and the [Freddie Mac UCD page](#)

# 0.1 Closing Disclosure

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

## 1.0 Closing Information

1.1 Date Issued 11/07/2022

1.2 Closing Date 11/15/2022

1.3 Disbursement Date 11/15/2022

1.4 Settlement Agent Epsilon Title Company

1.5 File # 12-6789

1.6 Property 456 Somewhere Ave

Anytown, NY 12345

1.7 Appraised Value \$240,000

## 2.0 Transaction Information

2.1 Borrower Michael Jones & Mary Stone

456 Somewhere Ave

Anytown, NY 12345

2.2 Seller

2.3 Lender Ficus Bank

## 3.0 Loan Information

3.1 Loan Term 30 Years

3.2 Purpose Refinance

3.3 Product 5/3 Adjustable Rate

3.4 Loan Type ☒ Conventional ☐ FHA

☐ VA ☐

3.5 Loan ID # 123456789

3.6 MIC # 000654321

Loan Terms	4.0	Can this amount increase after closing?		
4.1 Loan Amount	4.1.1 \$211,000	4.1.2 NO	4.1.3	
4.2 Interest Rate	4.2.1 4%	4.2.2 YES	4.2.3	<ul style="list-style-type: none"><li>Adjusts every 3 years starting in year 6.</li><li>Can go as high as 12% in year 15.</li><li>See AIR Table on page 4 for details</li></ul>
4.3 Monthly Principal & Interest <i>See Projected Payments below for your Estimated Total Monthly Payment</i>	4.3.1 \$1,007.35	4.3.2 YES	4.3.3	<ul style="list-style-type: none"><li>Adjusts every 3 years starting in year 6.</li><li>Can go as high as \$1,870 in year 15</li></ul>
Does the loan have these features?				
4.4 Prepayment Penalty	4.4.1	4.4.2 NO	4.4.3	
4.5 Balloon Payment	4.5.1	4.5.2 NO	4.5.3	

## Projected Payments 5.0

5.1 Payment Calculation	5.1.1 Years 1 – 5	5.1.2 Years 6 – 8	5.1.3 Years 9 - 11	5.1.4 Years 12 - 30
5.2 Principal & Interest	5.2.1 5.2.2 \$1,007.35 max 5.2.3	5.2.4 \$1,007 min 5.2.5 \$1,229 max	5.2.6 1,007 min 5.2.7 1,451 max	5.2.8 \$1,007 min 5.2.9 \$1,870 max
5.3 Mortgage Insurance	5.3.1 + \$161.77	5.3.2 + \$161.77	5.3.3 + \$161.77	5.3.4 + ---
5.4 Estimated Escrow <i>Amount can increase over time</i>	5.4.1 +	5.4.2 +	5.4.3 +	5.4.4 +
5.5 Estimated Total Monthly Payment	5.5.1 5.5.2 \$1,169.12	5.5.3 \$1,169 min 5.5.4 \$1,391 max	5.5.5 \$1,169 min 5.5.6 \$1,613 max	5.5.7 \$1,007 min 5.5.8 \$1,870 max
5.6 Estimated Taxes, Insurance & Assessments <i>Amount can increase over time See page 4 for details</i>	5.6.1 \$736.77 5.6.2 a month	This estimate includes 5.6.3 <input checked="" type="checkbox"/> Property Taxes 5.6.4 <input checked="" type="checkbox"/> Homeowners Insurance 5.6.5 <input checked="" type="checkbox"/> Other: Homeowners 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 6.0

6.1 Closing Costs	6.1.1 \$11,226.81	Includes 6.1.2 \$6,745.00 in Loan Costs + 6.1.3 \$4,981.81 in Other Costs – 6.1.4 \$500 in Lender Credits See page 2 for details.
6.2 Cash to Close	6.2.1 \$9,781.81	Includes Closing Costs. See Calculating Cash to Close on page 3 for details.

## Closing Cost Details

Loan Costs	7.0	Borrower-Paid		Seller-Paid		Paid by Others
		At Closing	Before Closing	At Closing	Before Closing	
<b>7.1 A. Origination Charges</b>		<b>7.1.1</b>	<b>\$2,860.00</b>			
01 7.2.1 1% 7.2 of Loan Amount (Points)		7.2.2	\$2,110.00	7.2.3	7.2.4	7.2.5
02 7.3 Application Fee	7.3.1	7.3.2	\$750.00	7.3.3	7.3.4	7.3.5
03						
04						
05						
06						
07						
08						
<b>7.4 B. Services Borrower Did Not Shop For</b>		<b>7.4.1</b>	<b>\$835.00</b>			
01 7.5 Appraisal Field Review Fee	7.5.1 to John Smith Appraisers Inc.	7.5.2		7.5.3 \$405.00	7.5.4	7.5.5
02 Credit Report Fee	to Information, Inc.			\$40.00		
03 Escrow Waiver Fee	to Info Co.		\$150.00			
04 Flood Certification Fee	to Info Co.		\$90.00			
05 Property Tax Status Research Fee	to Info Co.		\$150.00			
06						
07						
08						
09						
10						
<b>7.6 C. Services Borrower Did Shop For</b>		<b>7.6.1</b>	<b>\$3,050.00</b>			
01 7.7 Pest Inspection Fee	7.7.1 to Pests Co.	7.7.2	\$200.00	7.7.3	7.7.4	7.7.5
02 Title - Document Preparation Fee	to Epsilon Title Co.		\$350.00			
03 Title - Examination Fee	to Epsilon Title Co.		\$900.00			
04 Title - Insurance Binder Fee	to Epsilon Title Co.		\$800.00			
05 Title - Lenders Coverage Premium	to Epsilon Title Co.		\$800.00			
06						
07						
08						
09						
<b>7.8 D. TOTAL LOAN COSTS (Borrower-Paid)</b>		<b>7.8.1</b>	<b>\$6,745.00</b>			
7.9 Loan Cost Subtotals (A + B + C)		7.9.2	\$ 6,300.00	7.9.3 \$445.00		
<b>Other Costs</b>	<b>8.0</b>					
<b>8.1 E. Taxes and Other Government Fees</b>		<b>8.1.1</b>	<b>\$145.00</b>			
01 8.2 Recording Fees	8.2 Deed: 8.2.1 8.2 Mortgage: 8.2.1 \$145.00	8.2.2	\$145.00	8.2.3	8.2.4	8.2.5
02 8.3 Transfer taxes to	8.3.1	8.3.2		8.3.3	8.3.4	8.3.5
<b>8.4 F. Prepays</b>		<b>8.4.1</b>	<b>\$3,986.81</b>			
01 8.5 Homeowner's Insurance Premium	8.5.1 (12 mo.) to Insurance Co.	8.5.2	\$1,800.00	8.5.3	8.5.4	8.5.5
02 8.6 Mortgage Insurance Premium	8.6.1 (1 mo.) to Radian	8.6.2	\$161.77	8.6.3	8.6.4	8.6.5
03 8.7 Prepaid Interest	8.7.1 (\$23.44 per day from 11/15/22 to 12/1/22)	8.7.2	\$375.04	8.7.3	8.7.4	8.7.5
04 8.8 Property Taxes	8.8.1 (6 mo.) to Any County USA	8.8.2	\$1,650.00	8.8.3	8.8.4	8.8.5
05 8.9	8.9.1	8.9.2		8.9.3	8.9.4	8.9.5
<b>8.10 G. Initial Escrow Payment at Closing</b>		<b>8.10.1</b>				
01 8.11 Homeowner's Insurance	8.11.1 (per month for mo.)	8.11.2			8.11.4	8.11.5
02 8.12 Mortgage Insurance	8.12.1 (per month for mo.)	8.12.2			8.12.4	8.12.5
03 8.13 Property Taxes	8.13.1 (per month for mo.)	8.13.2			8.13.4	8.13.5
04 8.14	8.14.1	8.14.2			8.14.4	8.14.5
05						
06						
07						
08 8.15 Aggregate Adjustment		8.15.2				
<b>8.16 H. Other</b>		<b>8.16.1</b>	<b>\$850.00</b>			
01 8.17 Home Inspection Fee	8.17.1 to Home Engineers Inc.	8.17.2	\$850.00	8.17.3	8.17.4	8.17.5
02						
03						
04						
05						
<b>8.18 I. TOTAL OTHER COSTS (Borrower-Paid)</b>		<b>8.18.1</b>	<b>\$4,981.81</b>			
8.19 Other Costs Subtotals (E + F + G + H)		8.19.2	\$4,981.81	8.19.3		
<b>9.1 J. TOTAL CLOSING COSTS (Borrower-Paid)</b>		<b>9.1.1</b>	<b>\$11,226.81</b>			
9.2 Closing Costs Subtotals (D + I)		9.2.2	\$11,281.81	9.2.3 \$445.00	9.2.4	9.2.5
9.3 Lender Credits	9.3.1	9.3.2	-\$500.00			

CLOSING DISCLOSURE

PAGE 2 OF 6 • LOAN ID # 123456789



## Calculating Cash to Close 10.0 Use this table to see what has changed from your Loan Estimate.

	Loan Estimate	Final	Did this change?
10.1 Total Closing Costs (J)	10.1.1 \$13,759.00	10.1.2 \$11,226.81	10.1.3 YES • 10.1.4 See Total Loan Costs (D) and Total Other Costs (I)
10.2 Closing Costs Paid Before Closing	10.2.1 \$0	10.2.2 -\$445.00	10.2.3 YES • 10.2.4 You paid these Closing Costs before closing.
10.3 Closing Costs Financed (Paid from your Loan Amount)	10.3.1 -\$1,000.00	10.3.2 -\$1,000.00	10.3.3 NO 10.3.4
10.4 Down Payment/Funds from Borrower	10.4.1 \$0	10.4.2 \$0	10.4.3 NO 10.4.4
10.5 Deposit	10.5.1 \$0	10.5.2 \$0	10.5.3 NO 10.5.4
10.6 Funds for Borrower	10.6.1 \$0	10.6.2 \$0	10.6.3 NO 10.6.4
10.7 Seller Credits	10.7.1 \$0	10.7.2 \$0	10.7.3 NO 10.7.4
10.8 Adjustments and Other Credits	10.8.1 \$0	10.8.2 \$0	10.8.3 NO 10.8.4
10.9 Cash to Close	10.9.1 \$12,759.00	10.9.2 \$9,781.81	

## Summaries of Transactions (11.0 – 16.0) Use this table to see a summary of your transaction

BORROWER'S TRANSACTION				SELLER'S TRANSACTION			
11.0 K. Due from Borrower at Closing	11.0.1	\$220,781.81		14.0 M. Due to Seller at Closing	14.0.1		
01 11.1 Sale Price of Property	11.1.1			01 14.1 Sale Price of Property	14.1.1		
02 11.2 Sale Price of Any Personal Property Included in Sale	11.2.1			02 14.2 Sale Price of Any Personal Property Included in Sale	14.2.1		
03 11.3 Closing Costs Paid at Closing (J)	11.3.1	\$10,781.81		03 14.3	14.3.1		
04 11.4 Rho Servicing to pay off existing loan	11.4.1	\$183,000.00		04			
05 Beta Card Inc. to pay down credit card balance		\$5,000.00		05			
06 Bob's Home Improvement to pay off mechanic's lien		\$12,000.00		06			
07 State of New York to pay off tax lien		\$10,000.00		07			
11.5 Adjustments	11.5.1			08			
Adjustments for Items Paid by Seller in Advance				Adjustments for Items Paid by Seller in Advance			
08 11.6 City/Town Taxes __ to __	11.6.1			09 14.4 City/Town Taxes __ to __	14.4.1		
09 11.7 County Taxes __ to __	11.7.1			10 14.5 County Taxes __ to __	14.5.1		
10 11.8 Assessments __ to __	11.8.1			11 14.6 Assessments __ to __	14.6.1		
11 11.9	11.9.1			12 14.7	14.7.1		
12				13			
12.0 L. Paid Already by or on Behalf of Borrower at Closing	12.0.1	\$211,000.00		15.0 N. Due from Seller at Closing	15.0	15.0.1	
01 12.1 Deposit	12.1.1			01 15.1 Excess Deposit	15.1.1		
02 12.2 Loan Amount	12.2.1	\$211,000.00		02 15.2 Closing Costs Paid at Closing (J)	15.2.1		
03 12.3 Existing Loan(s) Assumed or Taken Subject to	12.3.1			03 15.3 Existing Loan(s) Assumed or Taken Subject to	15.3.1		
04 12.4	12.4.1			04 15.4 Payoff of First Mortgage Loan	15.4.1		
05 12.5 Seller Credit	12.5.1			05 15.5 Payoff of Second Mortgage Loan	15.5.1		
12.6 Other Credits	12.6.1			06 15.6	15.6.1		
06				07			
07				08 15.7 Seller Credit	15.7.1		
12.7 Adjustments	12.7.1			09 15.8	15.8.1		
08				10			
Adjustments for Items Unpaid by Seller				Adjustments for Items Unpaid by Seller			
12 12.8 City/Town Taxes __ to __	12.8.1			14 15.9 City/Town Taxes __ to __	15.9.1		
13 12.9 County Taxes __ to __	12.9.1			15 15.10 County Taxes __ to __	15.10.1		
14 12.10 Assessments __ to __	12.10.1			16 15.11 Assessments __ to __	15.11.1		
15 12.11	12.11.1			17 15.12	15.12.1		
13.1 Total Due from Borrower at Closing (K)	13.1	13.1.1	\$220,781.81	16.1 Total Due to Seller at Closing (M)	16.1	16.1.1	
13.2 Total Paid Already by or on behalf of Borrower at Closing (L)	13.2.1		-\$211,000.00	16.2 Total Due from Seller at Closing (N)	16.2	16.2.1	
13.3 Cash to Close <input checked="" type="checkbox"/> From <input type="checkbox"/> To Borrower	13.3.1		\$9,781.81	16.3 Cash to Close <input type="checkbox"/> From <input type="checkbox"/> To Seller	16.3	16.3.1	

Additional Information About This Loan

Loan Disclosures17.0

17.1 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.

17.2 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.

17.3 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.

17.4 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.

17.5 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.

17.6 Security Interest

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

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

18.0 Escrow Account

For now, your loan

18.1 ☐ 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	18.2	Estimated total amount over year 1 for your escrowed property costs: 18.2.1
Non-Escrowed Property Costs over Year 1	18.3	Estimated total amount over year 1 for your non-escrowed property costs: 18.3.1 You may have other property costs.
Initial Escrow Payment	18.4	A cushion for the escrow account you pay at closing. See Section G on page 2.
Monthly Escrow Payment	18.5	The amount included in your total monthly payment.

18.1, cont'd

☒ 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	18.6 \$8841.24	Estimated total amount over year 1. You must pay these costs directly, possibly in one or two large payments a year.
Escrow Waiver Fee	18.7 \$150.00	

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.

Adjustable Interest Rate (AIR) Table20.0		
Index + Margin	20.1	SOFR + 0.2%
Initial Interest Rate	20.2	4%
Minimum/Maximum Interest Rate	20.3	4% / 12%
Change Frequency		
First Change	20.4	Beginning of 60th month
Subsequent Change	20.5	Every 36th month after first change
Limits on Interest Rate Changes		
First Change	20.6	2%
Subsequent Change	20.7	2%

## Loan Calculations 21.0

<b>Total of Payments.</b> Total you will have paid after you make all payments of principal, interest, mortgage insurance, and loan costs, as scheduled.	21.1	\$362,643
<b>Finance Charge.</b> The dollar amount the loan will cost you.	21.2	\$151,643
<b>Amount Financed.</b> The loan amount available after paying your upfront finance charge.	21.3	\$211,000
<b>Annual Percentage Rate (APR).</b> Your costs over the loan term expressed as a rate. This is not your interest rate.	21.4	4.418%
<b>Total Interest Percentage (TIP).</b> The total amount of interest that you will pay over the loan term as a percentage of your loan amount.	21.5	71.87%

**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](http://www.consumerfinance.gov/mortgage-closing)

## Other Disclosures 22.0

### 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.

### 22.1 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 the 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		23.0			
	Lender	Mortgage Broker	Real Estate Broker (B)	Real Estate Broker (S)	Settlement Agent
	23.0.1	23.0.2	23.0.3	23.0.4	23.0.5
23.1 Name	23.1.1 Ficus Bank	23.1.2	23.1.3	23.1.4	23.1.5 Epsilon Title Company
23.2 Address	23.2.1 4321 Random Blvd. Somecity, NY 12345	23.2.2	23.2.3	23.2.4	23.2.5 123 Commerce Pl. Somecity, NY 12345
23.3 NMLS ID	23.3.1 9988776655	23.3.2	23.3.3	23.3.4	23.3.5
23.4 NY + License ID	23.4.1	23.4.2	23.4.3	23.4.4	23.4.5 NY616161
23.5 Contact	23.5.1 Joe Smith	23.5.2	23.5.3	23.5.4	23.5.5 Sarah Arnold
23.6 Contact NMLS ID	23.6.1 1234567890	23.6.2	23.6.3	23.6.4	23.6.5
23.7 Contact NY+ License ID	23.7.1	23.7.2	23.7.3	23.7.4	23.7.5 NY1234
23.8 Email	23.8.1 joesmith@ficusbank.com	23.8.2	23.8.3	23.8.4	23.8.5 sarah@ epsilontitle.com
23.9 Phone	23.9.1 456-789-0123	23.9.2	23.9.3	23.9.4	23.9.5 987-555-4321

## Confirm Receipt 24.0

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.

24.1 Applicant Signature

24.2 Date

24.1 Co-Applicant Signature

24.2 Date

CLOSING DISCLOSURE

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