The current mortgage disclosure forms tested in the study consisted of the Truth-in-Lending Act (“TILA”) statement required for closed-end, fixed-rate residential mortgages under the Truth in Lending Act, and the Good Faith Estimate of Settlement Costs (“GFE”) required under the Real Estate Settlement Procedures Act (“RESPA”). The GFE used in the tests was an enhanced version that included information beyond that required by the RESPA regulations, such as the amount of money borrowed, the interest rate, the total monthly payment amount, an itemization of the monthly payment, the cash due at closing, and the total settlement charges. Many lenders currently use some variation of an enhanced GFE that goes beyond the regulatory requirements. The GFE used in the tests followed this practice so that it more closely reflected the information that many consumers actually receive. The use of an enhanced GFE implies that the test results understate problems that consumers may have with a GFE that merely complies with the regulations. A sample of the current disclosure forms tested in study is presented below.
FEDERAL TRUTH-IN LENDING DISCLOSURE STATEMENT

For use with Fixed-Rate, GPM, Balloon Mortgage, Adjustable or Variable Rate Loans

Date: 10/14/05
Loan No.: 26457
Borrowers: James and Clara Borrower

Property
Location: 123 Your Street
Hometown, VA 22189

<table>
<thead>
<tr>
<th>ANNUAL PERCENTAGE RATE</th>
<th>FINANCE CHARGE</th>
<th>Amount Financed</th>
<th>Total of Payments</th>
</tr>
</thead>
<tbody>
<tr>
<td>The cost of your credit as a yearly rate</td>
<td>The dollar amount the credit will cost you</td>
<td>The amount of credit provided to you or on your behalf</td>
<td>The amount you will have paid after you have made all payments as scheduled</td>
</tr>
<tr>
<td>6.88 %</td>
<td>$129,059.36</td>
<td>$186,147.50</td>
<td>$315,206.86</td>
</tr>
</tbody>
</table>

You have the right to receive at this time an itemization of the Amount Financed.

☐ I want an itemization
☒ I do not want an itemization

Your payment schedule will be:

<table>
<thead>
<tr>
<th>Number of Payments</th>
<th>Amount of Payments</th>
<th>When Payments Are Due</th>
</tr>
</thead>
<tbody>
<tr>
<td>119</td>
<td>$1,049.11</td>
<td>Monthly beginning 12/01/05 and ending 10/01/15</td>
</tr>
<tr>
<td>1</td>
<td>$190,362.54</td>
<td>11/01/15</td>
</tr>
<tr>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

Variable Rate: ☐ This loan has a Variable Rate Feature. Variable Rate Disclosures have been provided to you earlier.

☐ This obligation has a demand Feature.

Insurance: 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. No such insurance will be in force until you have completed an application, the insurance company has issued the policy, the effective date of that policy has arrived and the required premium has been paid.

<table>
<thead>
<tr>
<th>Type</th>
<th>Premium</th>
<th>Term</th>
<th>Signature</th>
</tr>
</thead>
<tbody>
<tr>
<td>Credit Life</td>
<td>$3,900.00</td>
<td>10 years</td>
<td>I want to apply for credit life insurance.</td>
</tr>
<tr>
<td>Credit Disability</td>
<td>$2,330.00</td>
<td>10 years</td>
<td>I want to apply for credit disability insurance.</td>
</tr>
<tr>
<td>Credit Life and Credit Disability</td>
<td>$</td>
<td>10 years</td>
<td>I want to apply for credit life and disability insurance.</td>
</tr>
</tbody>
</table>

☒ You may obtain property insurance from anyone you want that is acceptable to this institution. If you get the insurance from the property located at 123 Your St., Hometown, VA 22189, you will pay $ for a term of ___________________

Security: You are giving a security interest in:

☐ the property being purchased
☒ the property located at 123 Your St., Hometown, VA 22189

Late Charge: If payment is late, you will be charged $ / 5.00 % of the payment.

Prepayment: If you pay off early, you may ☒ will not ☐ have to pay a penalty.

Assumption: Someone buying your home ☒ cannot assume the remainder of the mortgage on the original terms.

☐ may, subject to conditions, be allowed to assume the remainder of the mortgage on the original terms.

A deposit balance ☒ is ☐ is not required. The Annual Percentage Rate does not take into account your required deposit.

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.

I/We hereby acknowledge receipt of this disclosure.

____________________________ / ______________________
Prepared by: ___________________________ DATE

____________________________ / ______________________
Prepared by: ___________________________ DATE

TITLE
**GOOD FAITH ESTIMATE**

<table>
<thead>
<tr>
<th>ITEM PAYABLE IN CONNECTION WITH LOAN</th>
<th>TITLE CHARGES</th>
<th>GOVERNMENT RECORDING &amp; TRANSFER CHARGES</th>
<th>ADDITIONAL SETTLEMENT CHARGES</th>
<th>TOTAL ESTIMATED SETTLEMENT CHARGES</th>
</tr>
</thead>
<tbody>
<tr>
<td>801 Loan Origination Fee (%)</td>
<td>101 Closing or Escrow Fee</td>
<td>1201 Recording Fees</td>
<td>1301 Survey</td>
<td>$7,658.43</td>
</tr>
<tr>
<td>802 Loan Discount Fee (%)</td>
<td>102 Abstract or Title Search</td>
<td>1202 City/County Tax/Stamps</td>
<td>1302 Pest Inspection</td>
<td></td>
</tr>
<tr>
<td>803 Appraisal Fee</td>
<td>103 Title Examination</td>
<td>1203 State Tax/Stamps</td>
<td>1303 Flood Certification</td>
<td></td>
</tr>
<tr>
<td>804 Credit Report</td>
<td>104 Title Insurance Binder</td>
<td>1204 Title Insurance</td>
<td>1304 County Tax</td>
<td>$7,658.43</td>
</tr>
<tr>
<td>805 Lender's Inspection Fee</td>
<td>105 Document Preparation Fee</td>
<td>1205 County Tax</td>
<td>1305 Title Binder</td>
<td>$7,658.43</td>
</tr>
<tr>
<td>806 Mortgage Insurance Application Fee</td>
<td>106 Notary Fee</td>
<td>1206 Title Insurance</td>
<td>1306 Title Binder</td>
<td>$7,658.43</td>
</tr>
<tr>
<td>807 Assumption Fee</td>
<td>107 Attorney Fees</td>
<td>1207 Title Insurance</td>
<td>1307 Title Binder</td>
<td>$7,658.43</td>
</tr>
<tr>
<td>808 Mortgage Broker Fee</td>
<td>108 Title Insurance</td>
<td>1208 Title Insurance</td>
<td>1308 Title Binder</td>
<td>$7,658.43</td>
</tr>
<tr>
<td>809 CLO Access Fee</td>
<td>109 Title Insurance</td>
<td>1209 Title Insurance</td>
<td>1309 Title Binder</td>
<td>$7,658.43</td>
</tr>
<tr>
<td>810 Tax Related Service Fee</td>
<td>110 Title Insurance</td>
<td>1210 Title Insurance</td>
<td>1310 Title Insurance</td>
<td>$7,658.43</td>
</tr>
<tr>
<td>Administrative Fee</td>
<td>111 Title Insurance</td>
<td>1211 Title Insurance</td>
<td>1311 Title Insurance</td>
<td>$7,658.43</td>
</tr>
<tr>
<td>Doc Prep Fee</td>
<td>112 Title Insurance</td>
<td>1212 Title Insurance</td>
<td>1312 Title Insurance</td>
<td>$7,658.43</td>
</tr>
<tr>
<td>Courier</td>
<td>113 Title Insurance</td>
<td>1213 Title Insurance</td>
<td>1313 Title Insurance</td>
<td>$7,658.43</td>
</tr>
<tr>
<td></td>
<td>114 Title Insurance</td>
<td>1214 Title Insurance</td>
<td>1314 Title Insurance</td>
<td>$7,658.43</td>
</tr>
</tbody>
</table>

**ITEMS REQUIRED BY LENDER TO BE PAID IN ADVANCE:**

- 901 Interest for 8 days @ 3.4914% per day = $275.93
- 902 Mortgage Insurance Premium = $720.00
- 903 Hazard Insurance Premium = $720.00
- 1001 Haz Ins Prem 6 months @ 8.00% = $120.00
- 1004 Tax & Assmt Fees 9 months @ 1.34% = $1,312.50

**RESERVES DEPOSITED WITH LENDER:**

- 1200 Title Insurance = $1,049.11
- 1201 Title Insurance = $1,049.11
- 1202 Title Insurance = $1,049.11
- 1203 Title Insurance = $1,049.11
- 1204 Title Insurance = $1,049.11
- 1205 Title Insurance = $1,049.11
- 1206 Title Insurance = $1,049.11
- 1207 Title Insurance = $1,049.11
- 1208 Title Insurance = $1,049.11
- 1209 Title Insurance = $1,049.11
- 1210 Title Insurance = $1,049.11
- 1300 Title Insurance = $1,049.11
- 1301 Title Insurance = $1,049.11
- 1302 Title Insurance = $1,049.11
- 1303 Title Insurance = $1,049.11
- 1304 Title Insurance = $1,049.11
- 1305 Title Insurance = $1,049.11
- 1306 Title Insurance = $1,049.11
- 1307 Title Insurance = $1,049.11
- 1308 Title Insurance = $1,049.11
- 1309 Title Insurance = $1,049.11
- 1310 Title Insurance = $1,049.11
- 1311 Title Insurance = $1,049.11
- 1312 Title Insurance = $1,049.11
- 1313 Title Insurance = $1,049.11
- 1314 Title Insurance = $1,049.11

**TOTAL ESTIMATED SETTLEMENT CHARGES:**

$7,658.43

**TOTAL ESTIMATED MONTHLY PAYMENT:**

$1,049.11

**This section to be completed by Lender only if a particular provider of service is required. Use the particular provider is required and the estimate is based on charges of the provider.**

**ITEM NO.**

**NAME & ADDRESS OF PROVIDER**

**TELEPHONE NO.**

**NATURE OF RELATIONSHIP**

These estimates are provided pursuant to the Real Estate Settlement Procedures Act of 1974, as amended (RESPA). Additional information can be found in the HUD Special Information Booklet, which is to be provided to you by your mortgage broker or lender, if your application is to purchase residential real property and the Lender will take a first lien on the property. The undersigned acknowledges receipt of the booklet "Settlement Costs," and the Consumer Handbook on ARM Mortgages, if applicable.

Applicant Date

Applicant Date

Applicant Date

This Good Faith Estimate is being provided by no lender has yet been obtained.

"G" designates those costs to be paid by Seller.