

## Loan Comparison Report

Prepared for: Jonny Williams  
Date: April 14, 2008  
Prepared by: Taylor Abegg  
Phone: 801-225-4120  
E-mail: TJAbegg@EverySingleHome.com



Dear Jonny Williams

Attached is the Loan Comparison Report you requested. The information contained in this analysis comes from 5 different lenders using the income, asset and credit information you provided. As you review the figures, please recognize that mortgage rates are subject to change.

As you review the enclosed information, we encourage you to focus on:

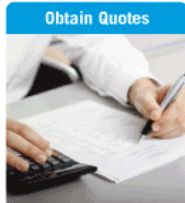
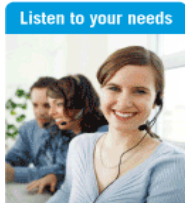
- ✓ **The total payments over the life of the loan**
- ✓ **The Annual Percentage Rate (APR) - this is your interest rate PLUS other financing charges**
- ✓ **The cash required to close your loan**
- ✓ **Other special terms or considerations of your financing**

Once you feel comfortable with the terms of the loan that best meets your needs, please contact the respective loan officer right away to ensure the quoted loan remains available.

Sincerely,

Taylor Abegg

**Loan Comparison Report - Table of Contents**



**Loan Comparison Detail** ..... 3  
 Compares the answers to the most common mortgage questions for each of your quoted loans:  
 ✓ What is my monthly payment?  
 ✓ What is the cheapest loan?  
 ✓ How much do I need to pay at closing?

**Loan Comparison Charts** ..... 4  
 Visually compares the answers to the most common mortgage questions for each of your quoted loans:

**Loan Officer Summary** ..... 5  
 Provides a comparison of each quoting loan officer:  
 ✓ What is their Contact information?  
 ✓ What Lender or Mortgage Broker do they work for?  
 ✓ Are there any special comments that the Loan Officer wants me to consider?

**Quote Request Form** ..... 6  
 Provides the information shared with each quoting loan officer and can be used to gather add'l quotes \*

**Truth - in - Lending Disclosure Comparison** ..... 7  
 Compares the information provided in each Truth-in-Lending Disclosures  
 ✓ Total Payments  
 ✓ Annual Percentage Rate (APR)

**Good Faith Estimate Comparison** ..... 8  
 Compares the information provided in each Good Faith Estimates  
 ✓ Loan related closing costs  
 ✓ Title related closing costs

**Glossary** ..... 11  
 Defines commonly used mortgage and real estate terms

**3rd Party Authorization** ..... 14  
 Helps us track the performance of your loan officer by allowing us to review your final TIL & HUD1



\* The information under "Applicant's Personal Information" is not share with quoting loan officers.

## Loan Comparison Report - Loan Comparison Detail

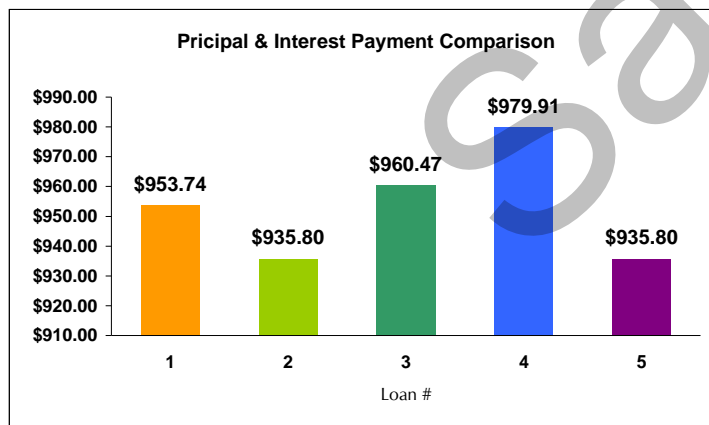
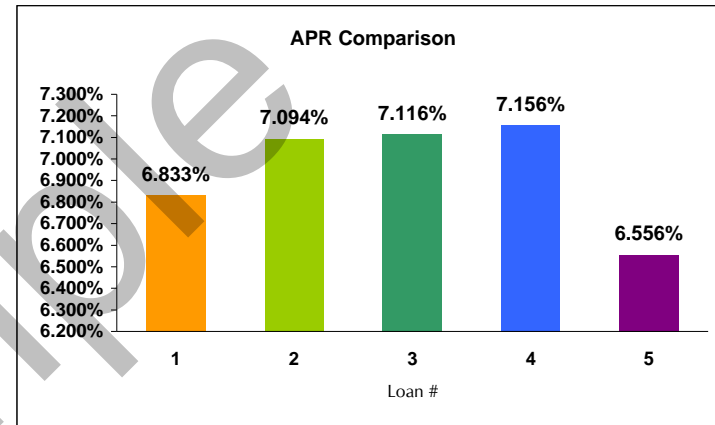
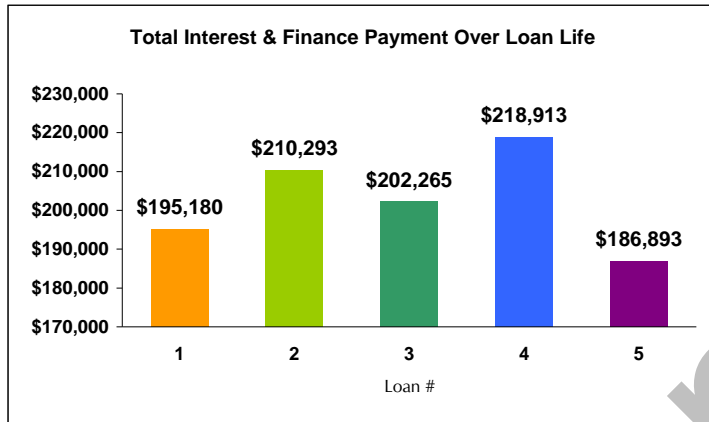
Prepared for: Jonny Williams  
Date Prepared: April 14, 2008

	Loan 1	Loan 2	Loan 3	Loan 4	Loan 5	Range
<b>Total Payments Over Life of Loan</b> Principal Payments / Loan Amount Interest & Finance Payments <b>Total Payments</b> <small>Interest &amp; Finance Payments do NOT include "fee for service", title, gov or misc charges</small>	\$154,899 \$195,180 <b>\$350,079</b> \$13,186 (More Expensive)	\$150,000 \$210,293 <b>\$360,293</b> \$23,400 (More Expensive)	\$150,000 \$202,265 <b>\$352,265</b> \$15,372 (More Expensive)	\$157,070 \$218,913 <b>\$375,983</b> \$39,089 (More Expensive)	\$150,000 \$186,893 <b>\$336,893</b> - (Lowest Cost)	\$186,893 - \$218,913 \$336,893 - \$375,983
<b>Interest Rates</b> Your Interest Rate Annual Percentage Rate (APR) <small>A true comparison of Rates must be based on APR, which includes loan-related fees.</small>	6.250% <b>6.833%</b> 0.277% (More Expensive)	6.375% <b>7.094%</b> 0.538% (More Expensive)	6.625% <b>7.116%</b> 0.560% (More Expensive)	6.375% <b>7.156%</b> 0.600% (More Expensive)	6.375% <b>6.556%</b> - (Lowest Cost)	6.250% - 6.625% 6.556% - 7.156%
<b>Monthly Payment - Principal/Interest</b> Initial Monthly Payment <small>This Payment does NOT include an allowance for property taxes or hazard insurance.</small>	\$953.74 \$17.94 (More Expensive)	<b>\$935.80</b> - (Lowest Cost)	\$960.47 \$24.67 (More Expensive)	\$979.91 \$44.11 (More Expensive)	<b>\$935.80</b> - (Lowest Cost)	\$935.80 - \$979.91
<b>Cash Required at Closing</b> Purchase Price (-) Loan Amount (+) Estimated Settlement Costs (-) Net Credits (-) Earnest Money Deposit (=) Cash Required at Closing	\$170,000 \$154,899 \$5,898 \$0 \$1,000 <b>\$19,999</b> \$0.37 (More Expensive)	\$170,000 \$150,000 \$4,355 \$0 \$0 <b>\$24,355</b> \$4,355.95 (More Expensive)	\$170,000 \$150,000 \$4,888 \$329 \$0 <b>\$24,559</b> \$4,560.35 (More Expensive)	\$170,000 \$157,070 \$7,069 \$0 \$0 <b>\$19,999</b> - (Lowest Cost)	\$170,000 \$150,000 \$5,420 \$329 \$0 <b>\$25,091</b> \$5,091.65 (More Expensive)	\$4,355 - \$7,069 \$0 - \$329 \$19,999 - \$25,091
<b>Special Considerations</b> Loan Officer / Lender Compensation (a) Worst Case Principal & Interest Payment (ARM only) Adjustable Rate Mortgage Interest Rate Cap Years Before 1st Rate Adjustment (ARM only) Prepayment Penalty	\$ 2,005 - - - No	\$ 790 - - - No	\$ 1,950 - - - No	\$ 2,424 - - - No	\$ 2,615 - - - No	\$790 - \$2,615

(a) These fees include origination, processing, underwriting, broker, admin and yield spread premium.

**Loan Comparison Report - Loan Comparison Charts**

Prepared for: Jonny Williams  
Date Prepared: April 14, 2008



## Loan Comparison Report - Loan Officer Summary

Prepared for: Jonny Williams  
Date Prepared: April 14, 2008

### Loan 1

#### Contact Information

Loan Officer Name	Loan Officer 1
Loan Officer Phone	800-888-8888
Loan Officer Email	myemail@lender.com
Loan Officer City, State	My City, State

#### Loan Officer Comments:

This quote is to purchase a home using the "Home Purchase+" program. I also have shown the down payment of \$1,000 required by the City. The 2nd from the city pays for required down payment of 3% and the closing costs.

### Loan 2

#### Contact Information

Loan Officer Name	Loan Officer 2
Loan Officer Phone	800-888-8888
Loan Officer Email	myemail@lender.com
Loan Officer City, State	My City, State

#### Loan Officer Comments:

No Additional Comments

### Loan 3

#### Contact Information

Loan Officer Name	Loan Officer 3
Loan Officer Phone	800-888-8888
Loan Officer Email	myemail@lender.com
Loan Officer City, State	My City, State

#### Loan Officer Comments:

This loan is with the assumption that 5% of purchase price are their own funds. Conventional does not allow the \$20,000 from a grant.

### Loan 4

#### Contact Information

Loan Officer Name	Loan Officer 4
Loan Officer Phone	800-888-8888
Loan Officer Email	myemail@lender.com
Loan Officer City, State	My City, State

#### Loan Officer Comments:

From the information on the quote request, I assume that the \$20K down payment is the one offered by City wherein the borrowers will have the \$20K loan with a 0% interest rate and no payments

### Loan 5

#### Contact Information

Loan Officer Name	Loan Officer 5
Loan Officer Phone	800-888-8888
Loan Officer Email	myemail@lender.com
Loan Officer City, State	My City, State

#### Loan Officer Comments:

No Additional Comments

## Loan Comparison Report - Quote Request Form

### Applicant's Personal Information (NOT disclosed to Loan Officers)

Name:	Jonny Williams
Home Address:	1433 N. 1400 E. , Any Town USA, AR 90554
Phone Number:	800-332-4444
E-mail Address:	jwilly@hotmail.com
S.S. #:	*** - ** - 2343
Birthday:	08/22/1982

### Credit History (check all that apply)

- BK Discharged in Last 3 Years
- Making Child Support Payments
- Been in Foreclosure in Last 3 Years
- Has Co-borrower (financial data is combined)
- Other: \_\_\_\_\_

### Transaction Information

Date Prepared:	April 13, 2008	Property Type (SFR, 2/3/4plex)	Single Family Residence
Mortgage Term (years):	30	Income / Asset Verification: Stated or Full-doc	Full Doc
Loan Type (Purchase, Refinance):	Purchase	1 Bureau Credit Score:	733
Refinance Purpose (Rate/Term, Cash out, N/A)	N/A	Expected Time in Home (years):	N/A
Property Value:	\$0.00	Occupancy Type:	Primary Residence
Purchase Price / Payoff(s):	\$170,000.00	Preferred Loan Type:	Conventional
Down Payment:	\$20,000.00	<b>Other</b> (check all that apply):	
Loan Amount:	\$0.00	<input type="checkbox"/> Condo / PUD	
Cash Out (Refinance only)	\$0.00	<input type="checkbox"/> Manufactured / Mobile	
Fixed Rate Mortgage (Y / N):	Y	<input type="checkbox"/> Interest Only	
ARM Rate Lock Term (N/A, 1, 3, 5, 7, or 10 yrs):	N/A	<input type="checkbox"/> Property has been for sale in last 6 mos. (Refinance only)	

### Income / Assets

Total Household Income (monthly):	\$3,666.00	Years in Same Industry:	5
Total Household Liabilities (monthly):	\$456.00	Self-Employed (Y / N):	
Years on Job (include school if recent graduate):	0.5	Liquid Assets (checking, svngs, IRA, etc):	\$7,200.00

**Loan Comparison Report - Truth-In-Lending Disclosure Comparison**

Prepared for: Jonny Williams  
Date Prepared: April 14, 2008

	Loan 1	Loan 2	Loan 3	Loan 4	Loan 5
<b>SUMMARY</b>					
Prepared By:	Loan Officer 1	Loan Officer 2	Loan Officer 3	Loan Officer 4	Loan Officer 5
Preparer Phone	800-888-8888	800-888-8888	800-888-8888	800-888-8888	800-888-8888
Application No:	LC - Jo39551ms	LC - Jo39551ms	LC - Jo39551ms	LC - Jo39551ms	LC - Jo39551ms
Date Prepared:	4/13/2008	4/13/2008	4/13/2008	4/13/2008	4/13/2008
Annual Percentage Rate (APR)	6.833%	7.094%	7.116%	7.156%	6.556%
Finance Charge	\$ 199,706.50	\$ 211,723.42	\$ 205,113.42	\$ 221,898.11	\$ 189,693.49
Amount Financed	\$ 150,372.93	\$ 148,570.02	\$ 147,151.61	\$ 154,084.75	\$ 147,200.00
Total of Payments	\$ 350,079.43	\$ 360,293.44	\$ 352,265.03	\$ 375,982.86	\$ 336,893.49
Prepayment Penalty	No	No	No	No	No

Sample

## Loan Comparison Report - Good Faith Estimate Comparison

Prepared for: Jonny Williams  
Date Prepared: April 14, 2008

	Loan 1	Loan 2	Loan 3	Loan 4	Loan 5
<b>SUMMARY</b>					
Prepared By:	Loan Officer 1	Loan Officer 2	Loan Officer 3	Loan Officer 4	Loan Officer 5
Preparer Phone	800-888-8888	800-888-8888	800-888-8888	800-888-8888	800-888-8888
Application No:	LC - Jo39551ms	LC - Jo39551ms	LC - Jo39551ms	LC - Jo39551ms	LC - Jo39551ms
Date Prepared:	4/13/2008	4/13/2008	4/13/2008	4/13/2008	4/13/2008
Fixed Rate Mortgage ("Y" = Yes, "N" = No)	Y	Y	Y	Y	Y
Years Before 1st Rate Adjustment	-	-	-	-	-
Loan Type (Conventional, FHA, VA)	FHA	Conventional	Conventional	FHA	Conventional
Term (months)	360	360	360	360	360
Total Loan Amount	\$ 154,899.00	\$ 150,000.00	\$ 150,000.00	\$ 157,070.00	\$ 150,000.00
Interest Rate	6.250%	6.375%	6.625%	6.375%	6.375%
Total Est. Settlement Charges	\$ 5,898.41	\$ 4,354.99	\$ 4,888.39	\$ 7,069.04	\$ 5,419.69
Total Est. Funds Needed to Close	\$ 19,999.41	\$ 24,354.99	\$ 24,559.39	\$ 19,999.04	\$ 25,090.69
Total Est. Monthly Payment	\$ 1,127.15	\$ 1,107.47	\$ 1,140.47	\$ 1,157.76	\$ 1,111.52
<b>ITEMS PAYABLE DUE TO LOAN</b>					
Loan origination fee	\$ 1,529.87	\$ -	\$ 1,500.00	\$ 773.75	\$ 1,500.00
Loan discount	\$ -	\$ 1,125.00	\$ -	\$ -	\$ -
Appraisal fee	\$ 350.00	\$ 350.00	\$ 350.00	\$ 400.00	\$ 350.00
Credit report	\$ 35.34	\$ 14.00	\$ 38.00	\$ -	\$ 15.00
Lender's inspection fee	\$ -	\$ -	\$ -	\$ -	\$ -
Mortgage insurance application fee	\$ -	\$ -	\$ -	\$ -	\$ -
Assumption fee	\$ -	\$ -	\$ -	\$ -	\$ -
Mortgage Broker Fee	\$ -	\$ -	\$ -	\$ 475.00	\$ -
Tax Service Fee	\$ -	\$ -	\$ -	\$ -	\$ 79.00
Processing Fee	\$ -	\$ 295.00	\$ -	\$ 475.00	\$ 500.00
Underwriting Fee	\$ 475.00	\$ 495.00	\$ 100.00	\$ 700.00	\$ 615.00
Wire Transfer Fee	\$ 35.00	\$ 75.00	\$ -	\$ -	\$ -
Processing Fee	\$ -	\$ -	\$ 300.00	\$ -	\$ -
Document Preparation Fee	\$ -	\$ -	\$ 50.00	\$ -	\$ -
Lender Admin Fees	\$ -	\$ -	\$ -	\$ -	\$ -
Yield Spread Premium (POC)	\$ -	\$ -	\$ -	\$ -	\$ -
Flood Certification	\$ 26.00	\$ 18.00	\$ -	\$ -	\$ -
Automated Underwriting LP	\$ -	\$ -	\$ -	\$ -	\$ -
Admin Fee	\$ -	\$ -	\$ -	\$ -	\$ -
Loan Comparison Fee	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00
Broker Credit - Loan Comparison Fee	\$ (329.00)	\$ (329.00)	\$ -	\$ (329.00)	\$ -
Other	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$ -	\$ 70.00	\$ 340.00	\$ -	\$ -

**Loan Comparison Report - Good Faith Estimate Comparison**

Prepared for: Jonny Williams  
Date Prepared: April 14, 2008

	Loan 1	Loan 2	Loan 3	Loan 4	Loan 5
<b>TITLE CHARGES</b>					
Settlement or closing fee	\$ 125.00	\$ 140.00	\$ 150.00	\$ 150.00	\$ 135.00
Abstract or title search	\$ -	\$ -	\$ -	\$ -	\$ -
Title examination	\$ -	\$ -	\$ -	\$ -	\$ -
Title insurance binder	\$ -	\$ -	\$ -	\$ -	\$ -
Document preparation	\$ -	\$ 30.00	\$ -	\$ 50.00	\$ 50.00
Notary fees	\$ -	\$ -	\$ -	\$ -	\$ -
Attorney's fees to	\$ -	\$ -	\$ -	\$ -	\$ -
Title insurance	\$ 576.00	\$ 624.00	\$ 567.00	\$ 576.00	\$ 585.00
Lender's coverage	\$ -	\$ -	\$ -	\$ -	\$ -
Owner's coverage	\$ -	\$ -	\$ -	\$ -	\$ -
Endorsements	\$ 55.00	\$ -	\$ 55.00	\$ -	\$ 55.00
Escrow Processing Fee	\$ -	\$ -	\$ -	\$ -	\$ 20.00
Wire Fee	\$ 25.00	\$ 15.00	\$ -	\$ -	\$ -
Reconveyance/Clearing Fee	\$ -	\$ -	\$ -	\$ -	\$ 60.00
Express/Courier Fee	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$ -	\$ 25.00	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -	\$ -	\$ -
<b>GOV REC &amp; TRNSFR CHRGS</b>					
Recording fees:	\$ 55.00	\$ 50.00	\$ 55.00	\$ 85.00	\$ 85.00
City/county tax/stamps:	\$ -	\$ -	\$ -	\$ -	\$ -
State tax/stamps:	\$ -	\$ -	\$ -	\$ -	\$ -
E-Doc Fee	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -	\$ -	\$ -
Survey	\$ -	\$ -	\$ -	\$ -	\$ -
Pest inspection	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -	\$ -	\$ -
<b>ITEMS R'QRD IN ADVANCE BY LENDER</b>					
Interest	\$ 397.86	\$ 392.98	\$ 408.39	\$ 411.50	\$ 398.44
Mortgage insurance premium	\$ 1,912.34	\$ -	\$ -	\$ 2,321.24	\$ -
Hazard insurance premium	\$ -	\$ 345.00	\$ 330.00	\$ 340.44	\$ 338.48
Other	\$ -	\$ -	\$ -	\$ -	\$ -
VA Funding Fee	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -	\$ -	\$ -

## Loan Comparison Report - Good Faith Estimate Comparison

Prepared for: Jonny Williams  
Date Prepared: April 14, 2008

	Loan 1	Loan 2	Loan 3	Loan 4	Loan 5
<b>RESERVES DEPOSITED W / LENDER</b>					
Hazard insurance	\$ 90.00	\$ 86.25	\$ 82.50	\$ 85.11	\$ 85.96
Mortgage insurance	\$ -	\$ -	\$ -	\$ -	\$ -
School Tax	\$ -	\$ -	\$ -	\$ -	\$ -
Tax & Assessment Reserves	\$ 240.00	\$ 233.76	\$ 262.50	\$ 255.00	\$ 247.81
Flood Insurance Reserves	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$ -	\$ -	\$ -	\$ -	\$ -
<b>ESTIMATED FUNDS TO CLOSE</b>					
Purchase Price / Payoff	\$ 170,000.00	\$ 170,000.00	\$ 170,000.00	\$ 170,000.00	\$ 170,000.00
Loan Amount	154,899.00	150,000.00	150,000.00	157,070.00	150,000.00
Est. Closing Costs	3,258.21	3,297.00	3,805.00	3,655.75	4,349.00
Est. Prepaid Items / Reserves	2,640.20	1,057.99	1,083.39	3,413.29	1,070.69
Amount Paid by Seller	-	-	-	-	-
Mortgage Broker Credit	-	-	329.00	-	329.00
Real Estate Broker Credit	-	-	-	-	-
EM Deposit w / Agent	1,000.00	-	-	-	-
<b>TOTAL EST. FUNDS PAID / (RECEIVED) AT CLOSING</b>	<b>\$ 19,999.41</b>	<b>\$ 24,354.99</b>	<b>\$ 24,559.39</b>	<b>\$ 19,999.04</b>	<b>\$ 25,090.69</b>
<b>TOTAL ESTIMATED MONTHLY PAYMENTS</b>					
Principal & Interest	\$ 953.74	\$ 935.80	\$ 960.47	\$ 979.91	\$ 935.80
Other Financing (P & I)	-	-	-	-	-
Hazard Insurance	30.00	28.75	27.50	28.37	28.65
Real Estate Taxes	80.00	77.92	87.50	85.00	82.60
Mortgage Insurance	63.41	65.00	65.00	64.48	64.47
Homeowners Assn Dues	-	-	-	-	-
Other	-	-	-	-	-
<b>TOTAL EST. MONTHLY PAYMENT</b>	<b>\$ 1,127.15</b>	<b>\$ 1,107.47</b>	<b>\$ 1,140.47</b>	<b>\$ 1,157.76</b>	<b>\$ 1,111.52</b>

## Loan Comparison Report - Glossary

### A

**Amortization:** repayment of a mortgage loan through monthly installments of principal and interest; the monthly payment amount is based on a schedule that will allow you to own your home at the end of a specific time period (for example, 15 or 30 years).

**Annual Percentage Rate (APR):** calculated by using a standard formula, the APR shows the cost of a loan; expressed as a yearly interest rate, it includes the interest, points, mortgage insurance, and other fees associated with the loan.

**ARM:** Adjustable Rate Mortgage; a mortgage loan subject to changes in interest rates; when rates change, ARM monthly payments increase or decrease at intervals determined by the lender; the Change in monthly -payment amount, however, is usually subject to a Cap.

### B

**Balloon Mortgage:** a mortgage that typically offers low rates for an initial period of time (usually 5, 7, or 10) years; after that time period elapses, the balance is due or is refinanced by the borrower.

### C

**Cap Rate :** a limit, that is placed on an adjustable rate mortgage, on how much a monthly payment or interest rate can increase or decrease.

**Closing:** also known as settlement, this is the time at which the property is formally sold and transferred from the seller to the buyer; it is at this time that the borrower takes on the loan obligation, pays all closing costs, and receives title from the seller.

**Closing costs:** customary costs above and beyond the sale price of the property that must be paid to cover the transfer of ownership at closing; these costs generally vary by geographic location and are typically detailed to the borrower after submission of a loan application.

**Conventional loan:** a private sector loan, one that is not guaranteed or insured by the U.S. government.

### D

**Deed:** the document that transfers ownership of a property.

**Deed-in-lieu:** to avoid foreclosure ("in lieu" of foreclosure), a deed is given to the lender to fulfill the obligation to repay the debt; this process doesn't allow the borrower to remain in the house but helps avoid the costs, time, and effort associated with foreclosure.

**Default:** the inability to pay monthly mortgage payments in a timely manner or to otherwise meet the mortgage terms.

**Discount point:** normally paid at closing and generally calculated to be equivalent to 1% of the total loan amount, discount points are paid to reduce the interest rate on a loan.

### E

**Earnest money:** money put down by a potential buyer to show that he or she is serious about purchasing the home; it becomes part of the down payment if the offer is accepted, is returned if the offer is rejected, or is forfeited if the buyer pulls out of the deal.

**Escrow account:** a separate account into which the lender puts a portion of each monthly mortgage payment; an escrow account provides the funds needed for such expenses as property taxes, homeowners insurance, mortgage insurance, etc.

### F

**FHA:** Federal Housing Administration; established in 1934 to advance homeownership opportunities for all Americans; assists homebuyers by providing mortgage insurance to lenders to cover most losses that may occur when a borrower defaults; this encourages lenders to make loans to borrowers who might not qualify for conventional mortgages.

**Fixed-rate mortgage:** a mortgage with payments that remain the same throughout the life of the loan because the interest rate and other terms are fixed and do not change.

## Loan Comparison Report - Glossary

### G

**Good faith estimate:** an estimate of all closing fees including pre-paid and escrow items as well as lender charges; must be given to the borrower within three days after submission of a loan application.

### H

**HUD:** the U.S. Department of Housing and Urban Development; established in 1965, HUD works to create a decent home and suitable living environment for all Americans; it does this by addressing housing needs, improving and developing American communities, and enforcing fair housing laws.

**HUD1 Statement:** also known as the "settlement statement," it itemizes all closing costs; must be given to the borrower at or before closing.

### I

**Index.** a measurement used by lenders to determine changes to the Interest rate charged on an adjustable rate mortgage.

**Interest rate:** the amount of interest charged on a monthly loan payment; usually expressed as a percentage.

### J

**Judgment:** a legal decision; when requiring debt repayment, a judgment may include a property lien that secures the creditor's claim by providing a collateral source.

### L

**Lien:** a legal claim against property that must be satisfied When the property is sold

**Loan fraud:** purposely giving incorrect information on a loan application in order to better qualify for a loan; may result in civil liability or criminal penalties.

**Loan-to-value (LTV) ratio.-** a percentage calculated by dividing the amount borrowed by the price or appraised value of the home to be purchased; the higher the LTV, the less cash a borrower is required to pay as down payment.

**Loss mitigation:** a process to avoid foreclosure; the lender tries to help a borrower who has been unable to make loan payments and is in danger of defaulting on his or her loan

### M

**Mortgage banker:** a company that originates loans and resells them to secondary mortgage lenders like: Fannie Mae or Freddie Mac.

**Mortgage broker:** a firm that originates and processes loans for a number of lenders.

**Mortgage insurance:** a policy that protects lenders against some or most of the losses that can occur when a borrower defaults on a mortgage loan; mortgage insurance is required primarily for borrowers with a down payment of less than 20% of the home's purchase price.

**Mortgage Modification:** a loss mitigation option that allows a borrower to refinance and/or extend the term of the mortgage loan and thus reduce the monthly payments.

### O

**Origination fee:** the charge for originating a loan; is usually calculated in the form of points and paid at closing.

## Loan Comparison Report - Glossary

### P

**PMI:** Private Mortgage Insurance; privately-owned companies that offer standard and special affordable mortgage insurance programs for qualified borrowers with down payments of less than 20% of a purchase price.

**Pre-approve:** lender commits to lend to a potential borrower; commitment remains as long as the borrower still meets the qualification requirements at the time of purchase.

**Pre-qualify:** a lender informally determines the maximum amount an individual is eligible to borrow.

**Prepayment:** payment of the mortgage loan before the scheduled due date; may be Subject to a prepayment penalty.

### R

**Refinancing:** paying off one loan by obtaining another; refinancing is generally done to secure better loan terms (like a lower interest rate).

**RESPA:** Real Estate Settlement Procedures Act; a law protecting consumers from abuses during the residential real estate purchase and loan process by requiring lenders to disclose all settlement costs, practices, and relationships

### T

**Title insurance:** insurance that protects the lender against any claims that arise from arguments about ownership of the property; also available for homebuyers.

**Title search:** a check of public records to be sure that the seller is the recognized owner of the real estate and that there are no unsettled liens or other claims against the property.

**Truth-in-Lending:** a federal law obligating a lender to give full written disclosure of all fees, terms, and conditions associated with the loan initial period and then adjusts to another rate that lasts for the term of the loan.

### U

**Underwriting:** the process of analyzing a loan application to determine the amount of risk involved in making the loan; it includes a review of the potential borrower's credit history and a judgment of the property value.

### V

**VA:** Department of Veterans Affairs: a federal agency which guarantees loans made to veterans; similar to mortgage insurance, a loan guarantee protects lenders against loss that may result from a borrower default.

**Loan Comparison Report - 3rd Party Authorization**

By executing this 3rd Party Authorization, the Borrower authorizes \_\_\_\_\_ "Escrow Agent" and \_\_\_\_\_ "Title Company" to release to EverySingleHome a copy of the final closing documents associated with the Borrower's transaction.

**Borrower's Personal Information**

Primary Borrower: Jonny Williams  
 Home Address: 1433 N. 1400 E. , Any Town USA, AR 90554  
 Phone Number: 800-332-4444  
 E-mail Address: Jwilly@hotmail.com  
 S.S. #: \*\*\* - \*\* - 2343  
 Birthday: 08/22/1982

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 2008 by:

\_\_\_\_\_  
 Borrower 1

\_\_\_\_\_  
 Borrower 2

\*\* Please fax this form back to EverySingleHome at 801-951-5217, ATTN: Taylor Abegg