



## Broker Instructions for Completing an Initial Good Faith Estimate (GFE)

Complete the initial GFE fields based on the instructions below. Accuracy of the initial GFE is imperative as it is binding and you will be held to the figures disclosed. Inaccurate disclosures may result in a broker RESPA

### Page 1

- **Name of originator:** Enter your name.
- **Originator address:** Enter your address.
- **Originator phone number:** Enter your phone number that can be used by the borrower.
- **Originator email:** Enter your email address that can be used by the borrower.
- **Borrower:** Enter the borrower's first and last name.
- **Property address:** Enter the address of the subject property.
- **Date of GFE:** Enter the date the GFE is printed.

### Important dates

- **Line 1:** For locked loans enter the lock expiration date. For unlocked loans enter the date the GFE is mailed to the borrower. "N/A" should not be entered at any time.
- **Line 2:** Enter the date 10 business days\* from the date of GFE. A later date should not be entered here. (IMPORTANT: The count begins the day after the GFE is mailed.)
- **Line 3:** For locked loans enter the rate lock period in number of days. For unlocked loans, enter 10 days.
- **Line 4:** Enter N/A.

\*A business day is a day in which the business offices are open to the public.

### Summary of your loan

- **Your initial loan amount:** Enter the requested loan amount.
- **Your loan term:** Enter the term of loan in years.
- **Your initial interest rate:** Enter the starting interest rate on an ARM or the interest rate on a fixed-rate loan.
- **Your initial monthly amount owed for principal and interest:** Enter the amount of the monthly principal and interest (or accrued interest for the first payment on an interest only loan) plus any monthly mortgage insurance premiums.
- **Can your interest rate rise?** On a fixed loan select "No". On an ARM loan select "Yes" and enter the maximum interest rate (ceiling) on the loan.
- **Even if you make payments on time, can your loan balance rise?** FGFC does not offer products with a negative amortization feature, select "No".
- **Even if you make payments on time, can your monthly amount owed for principal, interest, and any mortgage insurance rise?** On a fixed loan select "No". On an ARM loan select "Yes" and enter the number of years in which the first increase can occur as well as the maximum monthly payment amount the borrower can be required to pay.

- **Does your loan have a prepayment penalty?** FGFC does not offer loans with a prepayment penalty, select “No”.
- **Does your loan have a balloon payment?** FGFC does not offer loans with a balloon feature, select “No”.

### Escrow account information

Enter the amount from “Your initial monthly amount owed for principal and interest.” Select “Yes” if the loan will have an escrow account for property taxes, insurance, MMI and HOA fees if applicable. Otherwise select “No”.

### Summary of your settlement charges

Enter the amount from the **Adjusted Origination Charge** on page 2 of the GFE.

## Page 2

• **Block 1: Our origination charge** Block 1 represents the sum of all broker and lender fees regardless of who is paying the fee. Include:

- All direct broker fees (paid by the borrower and/or borrower credit) including:
  - Origination should be in a % basis such as 1.5%
  - Processing
  - Application
- + Lender’s Fees FGFC’s lender fees Include:
  - Underwriting Fee \$495
  - Doc Fee \$310.00
  - Funding Fee \$ 395
  - Redraw Fee \$75

NOTE: Accuracy of all the information on the GFE is imperative, this block is critical as it can only increase in the event of a valid changed circumstance that would involve a loan amount change only if the origination was done on a percentage basis.

**The broker fees in block 1 represent the total compensation the broker expects to earn of the transaction and can only increase if the loan amount increases and the broker requests issuance of a revised GFE in a timely manner due to a changed circumstance. All requests must be submitted via a request for issuance of a revised GFE.**

• **Block 2:** Credit or charge for interest rate chosen—Provides either a credit or a charge associated with the interest rate selected by the borrower. If the loan is floating, the broker should estimate the amount of the credit expected at the time of completing the initial disclosure.

- For loans with par pricing select Box 1
- For loans with a credit (rebate/YSP) select Box 2 and enter the rebate/YSP (negative) in the space provided. The amount of rebate/YSP must be disclosed in 1/8 increments.
- For loans with discount points or cost select Box 3 and enter the dollar amount of cost in the space provided.

• **Section A: Adjusted origination charge** Box 1 (+ or -) Box 2 = Box A

## Your charges for all other settlement services

- **Block 3: Required services that we select**—Enter fees for services in which FGFC or you select the provider. Include fees like:

- Credit report fee
- Appraisal
- Tax service
- Flood certification
- Property inspection
- Upfront Mortgage Insurance Premiums (UFMIP)
- VA funding fee
- HOA certification fee
- Verification of Deposit (VOD)

- **Block 4: Title services and lender's title insurance**—Enter the sum of all title and escrow related fees excluding owner's title insurance. Include fees like:

- Escrow/Settlement - Sub-Escrow
- Title insurance
- Title endorsements
- Loan Tie –In Fees
- Notary Fees
- Wire Fees
- Document signing
- Document preparation to title/closing

- **Block 5: Owner's title insurance**—Enter the cost for owner's title insurance.

- **Block 6: Required services that you can shop for**—Enter fees for services in which FGFC or you do not select the provider. Include fees like:

- Home inspection
- Well or septic inspection
- Survey
- Permits
- Soil inspection
- Termite
- Roof Certification

- **Block 7: Government recording fees**—Enter the sum of all recording charges pertaining to the loan

- **Block 8: Transfer taxes**—Use \$1.10 per \$1000 of the final sales price for all California cities except the following:

Alameda = \$13.10	Palo Alto = \$4.40	San Leandro = \$7.10
Albany = \$12.60	Piedmont = \$14.10	Santa Monica = \$4.10
Berkley = \$16.10	Petaluma = \$3.10	Santa Rosa = \$3.10
Cotati = \$3.00	Pomona = \$ 3.30	Vallejo = \$4.40
Culver City = \$5.60	Richmond = \$8.10	Waterford = \$1.65
Los Angeles = \$5.60	Riverside = \$2.20	
Mountain View = \$4.40	Sacramento = \$3.65	
Oakland = \$16.10	San Jose = \$4.40	

- **Block 9: Initial deposit for your escrow account**—Select the boxes that corresponded to the obligations that will be escrowed/ impounded. Enter the sum of the impounds that will be collected at closing. Include all property taxes due at closing.
- **Block 10: Daily interest charges**—Enter the amount of daily per diem interest, the estimated number of days for which interest will be charged and the estimated closing date.
- **Block 11: Homeowner's insurance**—Insert the amount of upfront insurance premiums. Include fees like:
  - Hazard/Homeowner's insurance
  - Flood insurance

### **IMPORTANT REMINDERS!**

**Be sure to disclose ALL fees on the GFE including state-specific fees, as applicable (e.g. conservation fee, etc.).**

**Fees paid outside of closing (POC) must be included on the GFE in the applicable block(s). POC designations are not permitted on the GFE.**