

Helpful tips for ensuring accurate Anti-Steering Loan Options Disclosures

SAMPLE

Anti-Steering Loan Options Disclosure

Loan Number: 700XXXX Borrower Name: JOHN & MARY BORROWER

Dear Borrower,

You have applied for a mortgage loan through (mortgage originator name). To ensure you, the borrower(s), has sufficient information to determine the appropriate loan, we are providing you with the following loan options. These loan options provide you with detailed rate and loan cost information to assist you in choosing the correct loan for your particular financial situation. Carefully review the loan options presented below to ensure you have chosen the appropriate option.

Your Loan Options. For each type of transaction in which you expressed an interest, your mortgage broker has obtained loan options from a significant number of the creditors with which your mortgage broker regularly does business. Your mortgage broker has a good faith belief that you likely qualify for the following loans:

Type of Transaction (check one)		Interest Rate	Total origination points or fees and discount points
<input type="checkbox"/> Fixed Rate <input type="checkbox"/> Adjustable Rate			
Option 1	Loan with the lowest Interest Rate ⇒	2 3.5 %	6 \$ <u>\$3,000.00</u>
Option 2	Loan with the lowest Interest Rate without negative amortization, a prepayment penalty, interest-only payments, a balloon payment in the first 7 years of the life of the loan, a demand feature, shared equity, or shared appreciation ⇒	3 N/A %	7 \$ <u>N/A</u>
Option 3	Loan with the lowest total dollar amount for origination points or fees and discount points ⇒	4 3.75 %	8 \$ <u>\$1,500.00</u>
You are applying for a loan with the following terms ⇒		5 3.75 %	9 \$ <u>\$1,500.00</u>

If you expressed an interest in an adjustable rate loan and if the loan's initial rate is fixed for at least 5 years, the "Interest Rate" disclosed in this document is the initial rate that would be in effect at consummation. If the loan's initial rate is not fixed for at least 5 years, the Interest Rate is the fully-indexed rate that would be in effect at consummation without regard to any initial discount or premium.

This is not a lock-in agreement or a loan commitment. The interest rate and fees described throughout this disclosure are available on the date the document was prepared and they may be subject to change if you have not locked in your interest rate. If your lender offers rate locks you may be required to lock the rate to obtain the rate and origination cost disclosed above. Additionally, even if your loan is locked, the Interest Rate and fees may be subject to change as the loan is underwritten.

If your lender does offer rate locks and you have not locked your loan, please be aware that interest rates move constantly. The way to set a certain Interest Rate and fees is for your mortgage broker to lock your loan. Once you lock your loan, you are agreeing to close your loan within a certain period of time and at a certain interest rate. If you instruct your mortgage broker to lock your loan, your mortgage broker can explain to you the Interest Rate and fees you will pay.

Be sure that you understand and are satisfied with the product and terms that have been offered to you.

Signed:

<u>JOE LOANOFFICER</u> Broker Loan Officer Name	<u>SIGNATURE HERE</u> Broker Loan Officer Signature	<u>XX/XX</u> Date
<u>LOAN MORTGAGE COMPANY</u> Broker Entity Name	<u>Broker Entity Address & License Number</u>	
<u>JOHN BORROWER</u> Borrower Name	<u>SIGNATURE HERE</u> Borrower Signature	<u>XX/XX</u> Date
<u>MARY BORROWER</u> Borrower Name	<u>SIGNATURE HERE</u> Borrower Signature	<u>XX/XX</u> Date

The loan file must contain an Anti-Steering Loan Options disclosure with a transaction type (FIELD 1) that matches the type of loan.

Option 1 as listed on the disclosure must contain the lowest interest rate.

Option 3 must contain the lowest points and fees of any of the options.

All borrowers are required to sign and date the disclosure.

Enter loan number and borrower name to expedite processing.

The interest rate and total fees must be completed for option 1 & 3. These fields may NOT be left blank.

Fields 2 and 4 may not be zero or a negative number.

Fields 3 & 7 may be N/A

Fields 6, 8 & 9 are required and may be zero or a negative number, if applicable, and must be listed in dollar amount and not percentages

Fields 5 and 9 should reflect the loan the borrower applied for. These fields should be accurate at the time the disclosure is made.

It is acceptable for fields 5 and 9 to vary from the final loan rate and fees.

The broker information is recommended, but not required.

