

Attention: Mortgage Brokers

# Examples of GFE Fee Disclosures

Below are examples to help clarify how fees are disclosed in Blocks 1, 2, and A, and how rate locks affect those blocks:

**Example #1**

<b>Loan Amount</b>	<b>\$100,000</b>
<b>Interest Rate</b>	<b>5.125%</b>
<b>Price at time of GFE (unlocked)</b>	<b>102.25</b>

<b>Origination Charges</b>	<b>\$4555.95</b>
Broker Origination Charge - 1%	\$1000.00
Broker Processing Fee	\$ 500.00
Lender Paid Broker Premium	\$2250.00
HLS UW Fee	\$ 799.00
HLS MERS Fee	\$ 6.95

**Credit For Interest Rate Chosen = \$2250.00**

**Adjusted Origination Charge = \$2305.95**

**Example #2** - Now let's lock the loan and YSP increases:

<b>Loan Amount</b>	<b>\$100,000</b>
<b>Interest Rate</b>	<b>5.125%</b>
<b>Price at time of Lock</b>	<b>102.75</b>

<b>Origination Charges</b>	<b>\$4555.95 (Block 1 stays the same when the loan is locked)</b>
Broker Origination Charge - 1%	\$ 500.00 (We lower upfront origination charge \$500)
Broker Processing Fee	\$ 500.00
Lender Paid Broker Premium	\$2750.00 (Broker Premium increases \$500)
HLS UW Fee	\$ 799.00
HLS MERS Fee	\$ 6.95

**Credit For Interest Rate Chosen = \$2750.00**

**Adjusted Origination Charge = \$1805.95**





**Example #3** - Now let's lock the loan and YSP decreases:

<b>Loan Amount</b>	<b>\$100,000</b>
<b>Interest Rate</b>	<b>5.125%</b>
<b>Price at time of Lock</b>	<b>102.00</b>

<b>Origination Charges</b>	<b>\$4555.95 (Block 1 stays the same when the loan is locked)</b>
Broker Origination Charge - 1%	\$ 1250.00 (We increase upfront origination charge \$250)
Broker Processing Fee	\$ 500.00
Lender Paid Broker Premium	\$2000.00 (Broker Premium decreases \$250)
HLS UW Fee	\$ 799.00
HLS MERS Fee	\$ 6.95

**Credit For Interest Rate Chosen = \$2000.00**

**Adjusted Origination Charge = \$2555.95**

**Example #4** - Now let's use Example #3 and add a lock extension:

<b>Loan Amount</b>	<b>\$100,000</b>
<b>Interest Rate</b>	<b>5.125%</b>
<b>Price at time of Lock</b>	<b>102.000</b>
<b>Price Hit for 7 day Extension</b>	<b>-0.175</b>

<b>Origination Charges</b>	<b>\$4555.95 (Block 1 stays the same when the loan is locked)</b>
Broker Origination Charge - 1%	\$1425.00 (We increase upfront origination charge \$175)
Broker Processing Fee	\$ 500.00
Lender Paid Broker Premium	\$1825.00 (Broker Premium decreases \$175)
HLS UW Fee	\$ 799.00
HLS MERS Fee	\$ 6.95

**Credit For Interest Rate Chosen = \$1825.00**

**Adjusted Origination Charge = \$2730.95**

**Important Note:** Anytime the Broker Origination Charge is increased there is potential for an APR increase that could require a TILA redisclosure. Loan Specialists should work with the AE and broker to ensure the broker wants to keep upfront origination at the current level and redisclose. The broker could lower the upfront origination fees to avoid TILA redisclosure.

**For more information, contact M&I!**

**Phone: (800) 827-2654**  
Select 1\* and enter your AE's last name or  
Select Option 4 for Broker Support

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