

Pre-Qualification Analysis

Anthony S. Mills, AMI, 433 Carlsile Drive, Herndon, VA 20170, phone (703) 555-3855

Joe Martin

Monthly Income \$5,500
 Monthly Debt \$300
 Calculated for minimum down payment

Program	Conforming 30 Yr	FHA 30 year fixed	VA 30 year fixed
Rate	8.000%	8.000%	8.000%
Points	1.000 + 1.000	0.000 + 1.000	0.500 + 1.000
Maximum Home Value	\$161,053	\$183,376	\$199,000
Maximum Loan Amount	\$153,000	\$183,283	\$202,980

Monthly Payment			
Principal & Interest	\$1,123	\$1,345	\$1,489
Mortgage Insurance	99	74	0
Property Tax	121	138	149
Hazard Insurance	32	38	42
Total Monthly Payment	\$1,375	\$1,595	\$1,681

Loan-To-Value Ratio	95.00%	99.95%	102.00%
Front Ratio	25.00%	29.00%	30.56%
Back Ratio	30.45%	34.45%	36.02%

Cash Required to Close			
Down Payment	\$8,053	\$4,126	\$0
Est. Closing Costs	7,291	6,498	8,068
Prepaid and Escrow Amount	1,880	1,971	2,164
Total Cash at Closing	\$17,224	\$12,595	\$10,232
Cash Reserves Required	\$2,750	\$1,595	\$0

This pre-qualification is offered as a customer service, to assist the customer in locating a property within a realistic price range. This does **not** constitute a loan commitment and is only a preliminary evaluation of a borrower's ability to qualify, based upon the information available at the time of preparation.

Comparison of Loan Programs

Anthony S. Mills, AMI, 433 Carlsile Drive, Herndon, VA 20170, phone (703) 555-3855

Program	Conforming 30 Yr	FHA 30 year fixed	VA 30 year fixed
Rate	8.000%	8.000%	8.000%
Points	1.000 + 1.000	0.000 + 1.000	0.500 + 1.000
Loan To Value	95.00%	99.95%	102.00%

Initial Costs	7,291	6,498	8,068
Year 1	21,956	23,529	25,941
Year 2	36,622	40,561	43,814
Year 3	51,287	57,592	61,687
Year 4	65,952	74,624	79,559
Year 5	80,618	91,655	97,432
Year 6	95,283	108,686	115,305
Year 7	109,948	125,718	133,178
Year 8	124,614	142,749	151,051
Year 9	139,279	159,780	168,923
Year 10	153,944	176,812	186,796
Year 11	168,610	193,843	204,669
Year 12	183,275	210,874	222,542
Year 13	197,940	227,906	240,415
Year 14	212,606	244,937	258,287
Year 15	227,271	261,968	276,160
Life of Loan	447,250	517,433	544,246

This chart provides a cumulative total of closing costs plus principal, interest, and mortgage insurance (if applicable) paid during the first 15 years, and over the life of the loan, for the loan programs shown above. This comparison will help you to evaluate the benefits of each program over a specific period of time. For example:

If you estimate that you will only own your home for four years, then the lowest cumulative payment as of *Year 4* would indicate the program that offers the lowest total costs over that period of time.

All adjustable loan program payments are calculated assuming that the index rates which limit the adjustments will remain at their current values (accrual rate).

Good Faith Estimate

Prep. By: Anthony S. Mills	Program: Conforming 30 Yr
Of: AMI	At a note rate of: 8.000%
433 Carlsile Drive	Points: 1.000 + 1.000
Herndon, VA 20170	Sales Price: \$161,053
	Loan Amount: \$153,000
Borrower: Joe Martin	Base Loan Amt.: \$153,000
Property: [None—pre-qualification]	Down Payment: \$8,053
	Loan-To-Value: 95.00%

These estimates are provided pursuant to the Real Estate Settlement Procedures Act of 1974, as amended (RESPA). The fees listed are estimates; the actual charges, rates, and points may be more or less. Additional information can be found in the HUD special information booklet, which is to be provided to you by your mortgage broker or lender. The undersigned acknowledges receipt of the booklet "settlement costs," and if applicable, the consumer handbook on ARM mortgages.

Estimated Closing Costs

801	Loan Origination Fee: 1.0%	\$1,530
802	Loan Discount: 1.0%	1,530
803	Appraisal Fee	300
804	Credit Report	57
810	Tax Service Fee	72
1105	Document Preparation	285
1107	Attorney's Fees	400
1108	Lender's Title Insurance	356
1201	Recording Fees	50
1201	Recording Tax	177
1202	Transfer Tax	2,324
1301	Survey	150
1302	Pest/Health Inspection	60
Total Closing Costs		\$7,291

Monthly Payments

Principal & Interest	\$1,123
Property Tax	121
Hazard Insurance	32
Private Mort. Ins.	99
Total Monthly Payment	\$1,375

Cash at Closing

Down Payment	\$8,053
Closing Costs	7,291
Prepaid & Escrow	1,880
Total Cash Required	\$17,224

Cash Reserves Required	\$2,750
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Prepaid Closing Costs and Escrows

901	15 Days Prepaid Interest	\$510
1003	4 Months Property Tax	483
903	12 Months Hazard Insurance	382
1002	2 Months Mortgage Insurance	199
1004	2 Months Property Tax	242
1001	2 Months Hazard Insurance	64
Total Prepays & Esc.		\$1,880

I/we acknowledge receiving a copy of the above information.

Lender: _____ Applicant: _____ Date: _____

Applicant: _____ Date: _____

Good Faith Estimate

Prep. By: Anthony S. Mills
Of: AMI
 433 Carlsile Drive
 Herndon, VA 20170

Program: FHA 30 year fixed
At a note rate of: 8.000%
Points: 0.000 + 1.000
Sales Price: \$183,376
Loan Amount: \$183,283
Base Loan Amt.: \$179,250
Down Payment: \$4,126
Loan-To-Value: 99.95%

Borrower: Joe Martin
Property: [None—pre-qualification]

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Estimated Closing Costs

801	Loan Origination Fee: 1.0%	\$1,793
902	Financed FHA Mort. Ins.	[4,033]
803	Appraisal Fee	300
804	Credit Report	57
810	Tax Service Fee	72
1105	Document Preparation	285
1107	Attorney's Fees	400
1108	Lender's Title Insurance	417
1201	Recording Fees	50
1201	Recording Tax	202
1202	Transfer Tax	2,713
1301	Survey	150
1302	Pest/Health Inspection	60
Total Closing Costs		\$6,498

Monthly Payments

Principal & Interest	\$1,345
Property Tax	138
Hazard Insurance	38
FHA Mort. Ins.	74
Total Monthly Payment	\$1,595

Cash at Closing

Down Payment	\$4,126
Closing Costs	6,498
Prepaid & Escrow	1,971
Total Cash Required	\$12,595

Cash Reserves Required \$1,595

Prepaid Closing Costs and Escrows

901	15 Days Prepaid Interest	\$611
1003	4 Months Property Tax	550
903	12 Months Hazard Insurance	458
1004	2 Months Property Tax	275
1001	2 Months Hazard Insurance	76
Total Prepays & Esc.		\$1,971

I/we acknowledge receiving a copy of the above information.

Lender: _____ Applicant: _____ Date: _____

Applicant: _____ Date: _____

Good Faith Estimate

Prep. By: Anthony S. Mills	Program: VA 30 year fixed
Of: AMI	At a note rate of: 8.000%
433 Carlsile Drive	Points: 0.500 + 1.000
Herndon, VA 20170	Sales Price: \$199,000
	Loan Amount: \$202,980
Borrower: Joe Martin	Base Loan Amt.: \$199,000
Property: [None—pre-qualification]	Down Payment: \$0
	Loan-To-Value: 102.00%

These estimates are provided pursuant to the Real Estate Settlement Procedures Act of 1974, as amended (RESPA). The fees listed are estimates; the actual charges, rates, and points may be more or less. Additional information can be found in the HUD special information booklet, which is to be provided to you by your mortgage broker or lender. The undersigned acknowledges receipt of the booklet "settlement costs," and if applicable, the consumer handbook on ARM mortgages.

Estimated Closing Costs

801	Loan Origination Fee: 1.0%	\$2,030
802	Loan Discount: 0.5%	1,015
902	Financed VA Funding Fee	[3,980]
803	Appraisal Fee	300
804	Credit Report	57
810	Tax Service Fee	72
1105	Document Preparation	285
1107	Attorney's Fees	400
1108	Lender's Title Insurance	456
1201	Recording Fees	50
1201	Recording Tax	219
1202	Transfer Tax	2,975
1301	Survey	150
1302	Pest/Health Inspection	60
Total Closing Costs		\$8,068

Monthly Payments

Principal & Interest	\$1,489
Property Tax	149
Hazard Insurance	42
Total Monthly Payment	\$1,681

Cash at Closing

Closing Costs	\$8,068
Prepaid & Escrow	2,164
Total Cash Required	\$10,232

Cash Reserves Required \$0

Prepaid Closing Costs and Escrows

901	15 Days Prepaid Interest	\$677
1003	4 Months Property Tax	597
903	12 Months Hazard Insurance	507
1004	2 Months Property Tax	299
1001	2 Months Hazard Insurance	85
Total Prepays & Esc.		\$2,164

I/we acknowledge receiving a copy of the above information.

Lender: _____ Applicant: _____ Date: _____

Applicant: _____ Date: _____

Annual Amortization Table

Anthony S. Mills, AMI, 433 Carlsile Drive, Herndon, VA 20170, phone (703) 555-3855

Conforming 30 Yr
Loan Amount of \$153,000
Interest Rate of 8.000%

Year	Avg. Monthly Payment	Annual Principal	Annual Interest	Remaining Balance
1	\$1,122.66	\$1,278.11	\$12,193.81	\$151,721.89
2	1,122.66	1,384.19	12,087.73	150,337.70
3	1,122.66	1,499.08	11,972.84	148,838.62
4	1,122.66	1,623.50	11,848.42	147,215.12
5	1,122.66	1,758.27	11,713.65	145,456.85
6	1,122.66	1,904.20	11,567.72	143,552.65
7	1,122.66	2,062.24	11,409.68	141,490.41
8	1,122.66	2,233.40	11,238.52	139,257.01
9	1,122.66	2,418.77	11,053.15	136,838.24
10	1,122.66	2,619.52	10,852.40	134,218.72
11	1,122.66	2,836.97	10,634.95	131,381.75
12	1,122.66	3,072.41	10,399.51	128,309.34
13	1,122.66	3,327.42	10,144.50	124,981.92
14	1,122.66	3,603.59	9,868.33	121,378.33
15	1,122.66	3,902.68	9,569.24	117,475.65
16	1,122.66	4,226.60	9,245.32	113,249.05
17	1,122.66	4,577.43	8,894.49	108,671.62
18	1,122.66	4,957.35	8,514.57	103,714.27
19	1,122.66	5,368.80	8,103.12	98,345.47
20	1,122.66	5,814.41	7,657.51	92,531.06
21	1,122.66	6,297.02	7,174.90	86,234.04
22	1,122.66	6,819.65	6,652.27	79,414.39
23	1,122.66	7,385.68	6,086.24	72,028.71
24	1,122.66	7,998.68	5,473.24	64,030.03
25	1,122.66	8,662.56	4,809.36	55,367.47
26	1,122.66	9,381.55	4,090.37	45,985.92
27	1,122.66	10,160.23	3,311.69	35,825.69
28	1,122.66	11,003.52	2,468.40	24,822.17
29	1,122.66	11,916.81	1,555.11	12,905.36
30	1,122.61	12,905.36	566.01	0.00

This chart provides total annual principal and interest payments during the term of the loan program shown. All adjustable loan program payments are calculated assuming that the index rates which limit the adjustments will remain at their current values (accrual rate).

Annual Amortization Table

Anthony S. Mills, AMI, 433 Carlsile Drive, Herndon, VA 20170, phone (703) 555-3855

FHA 30 year fixed
Loan Amount of \$183,283
Interest Rate of 8.000%

Year	Avg. Monthly Payment	Annual Principal	Annual Interest	Remaining Balance
1	\$1,344.87	\$1,531.13	\$14,607.31	\$181,751.99
2	1,344.87	1,658.21	14,480.23	180,093.78
3	1,344.87	1,795.82	14,342.62	178,297.96
4	1,344.87	1,944.88	14,193.56	176,353.08
5	1,344.87	2,106.32	14,032.12	174,246.76
6	1,344.87	2,281.14	13,857.30	171,965.62
7	1,344.87	2,470.49	13,667.95	169,495.13
8	1,344.87	2,675.52	13,462.92	166,819.61
9	1,344.87	2,897.60	13,240.84	163,922.01
10	1,344.87	3,138.10	13,000.34	160,783.91
11	1,344.87	3,398.55	12,739.89	157,385.36
12	1,344.87	3,680.63	12,457.81	153,704.73
13	1,344.87	3,986.13	12,152.31	149,718.60
14	1,344.87	4,316.97	11,821.47	145,401.63
15	1,344.87	4,675.28	11,463.16	140,726.35
16	1,344.87	5,063.33	11,075.11	135,663.02
17	1,344.87	5,483.57	10,654.87	130,179.45
18	1,344.87	5,938.72	10,199.72	124,240.73
19	1,344.87	6,431.60	9,706.84	117,809.13
20	1,344.87	6,965.44	9,173.00	110,843.69
21	1,344.87	7,543.56	8,594.88	103,300.13
22	1,344.87	8,169.67	7,968.77	95,130.46
23	1,344.87	8,847.74	7,290.70	86,282.72
24	1,344.87	9,582.11	6,556.33	76,700.61
25	1,344.87	10,377.41	5,761.03	66,323.20
26	1,344.87	11,238.74	4,899.70	55,084.46
27	1,344.87	12,171.55	3,966.89	42,912.91
28	1,344.87	13,181.78	2,956.66	29,731.13
29	1,344.87	14,275.87	1,862.57	15,455.26
30	1,344.41	15,455.26	677.70	0.00

This chart provides total annual principal and interest payments during the term of the loan program shown. All adjustable loan program payments are calculated assuming that the index rates which limit the adjustments will remain at their current values (accrual rate).

Annual Amortization Table

Anthony S. Mills, AMI, 433 Carlsile Drive, Herndon, VA 20170, phone (703) 555-3855

VA 30 year fixed
Loan Amount of \$202,980
Interest Rate of 8.000%

Year	Avg. Monthly Payment	Annual Principal	Annual Interest	Remaining Balance
1	\$1,489.40	\$1,695.68	\$16,177.12	\$201,284.32
2	1,489.40	1,836.42	16,036.38	199,447.90
3	1,489.40	1,988.82	15,883.98	197,459.08
4	1,489.40	2,153.91	15,718.89	195,305.17
5	1,489.40	2,332.68	15,540.12	192,972.49
6	1,489.40	2,526.29	15,346.51	190,446.20
7	1,489.40	2,735.98	15,136.82	187,710.22
8	1,489.40	2,963.08	14,909.72	184,747.14
9	1,489.40	3,208.99	14,663.81	181,538.15
10	1,489.40	3,475.36	14,397.44	178,062.79
11	1,489.40	3,763.79	14,109.01	174,299.00
12	1,489.40	4,076.19	13,796.61	170,222.81
13	1,489.40	4,414.50	13,458.30	165,808.31
14	1,489.40	4,780.90	13,091.90	161,027.41
15	1,489.40	5,177.73	12,695.07	155,849.68
16	1,489.40	5,607.47	12,265.33	150,242.21
17	1,489.40	6,072.90	11,799.90	144,169.31
18	1,489.40	6,576.94	11,295.86	137,592.37
19	1,489.40	7,122.82	10,749.98	130,469.55
20	1,489.40	7,714.00	10,158.80	122,755.55
21	1,489.40	8,354.26	9,518.54	114,401.29
22	1,489.40	9,047.66	8,825.14	105,353.63
23	1,489.40	9,798.60	8,074.20	95,555.03
24	1,489.40	10,611.90	7,260.90	84,943.13
25	1,489.40	11,492.69	6,380.11	73,450.44
26	1,489.40	12,446.57	5,426.23	61,003.87
27	1,489.40	13,479.64	4,393.16	47,524.23
28	1,489.40	14,598.42	3,274.38	32,925.81
29	1,489.40	15,810.07	2,062.73	17,115.74
30	1,488.85	17,115.74	750.49	0.00

This chart provides total annual principal and interest payments during the term of the loan program shown. All adjustable loan program payments are calculated assuming that the index rates which limit the adjustments will remain at their current values (accrual rate).

June 10, 2000

Dear Joe,

We hope this information about our loan programs is helpful to you. It is designed to help you as you shop for a home and prepare for your mortgage application to understand the type and amount of loan that you are best qualified for and that meets your needs.

The qualification guidelines explained in this packet are general in nature and not necessarily rigid requirements. We would like to discuss any questions, needs, or concerns you may have about your qualification for specific loan amounts or loan programs. Please contact us at (703) 555-3855 for assistance.

We are committed to providing every potential borrower with fair and equal lending opportunities. It is the policy of AMI not to discriminate against credit applicants on the basis of race, color, religion, national origin, sex, marital status, age (provided the applicant has the capacity to enter into a binding contract), presence of income deriving from any public assistance program, or good faith exercise of any right under the Consumer Credit Protection Act. In addition to our policy, these rights are protected by the Equal Credit Opportunity Act.

The federal agency that administers AMI's compliance with the Equal Credit Opportunity Act is:

Office of Thrift Supervision
PO Box 105217
Atlanta, GA 30348-5217

or

Federal Trade Commission
Bureau of Consumer Protection Division of Credit Practices
Washington, DC

Yours very truly,

Anthony S. Mills

Credit Table

Anthony S. Mills, AMI, 433 Carlsile Drive, Herndon, VA 20170, phone (703) 555-3855

June 10, 2000

The following information is provided in conjunction with attached mortgage qualification information.

The amounts shown below are calculated strictly in accordance with the method specified in the Truth in Lending Act (TILA). These quantities are intended for TILA compliance only and, particularly in the case of loan amount and down payment figures, will not match the quantities typically quoted in the mortgage industry.

Program	Conforming 30 Yr	FHA 30 year fixed	VA 30 year fixed
Amount Financed	\$148,636.94	\$176,227.85	\$194,642.80
Down Payment	\$12,416.06	\$7,148.15	\$4,357.20
Note Rate	8.000%	8.000%	8.000%
Annual Percentage Rate	8.860%	8.882%	8.410%
Number of Payments	360	360	360
Amt of Pmts: from	\$1,122.11	\$1,342.84	\$1,482.83
to	\$1,222.11	\$1,419.28	\$1,489.40
Frequency of Payments	Monthly	Monthly	Monthly
Total of Payments	\$416,091.05	\$502,538.32	\$536,177.43

The "Conforming 30 Yr" loan program is a fixed rate program. The interest rate and Principal and Interest payments will not change over the term of the loan. The final balance of \$1,122.11 will be due on month 360.

The "FHA 30 year fixed" loan program is a fixed rate program. The interest rate and Principal and Interest payments will not change over the term of the loan. The final balance of \$1,339.39 will be due on month 360.

The "VA 30 year fixed" loan program is a fixed rate program. The interest rate and Principal and Interest payments will not change over the term of the loan. The final balance of \$1,482.83 will be due on month 360.