PROCEEDS FROM REFINANCE

Annual Percentage Rate of Net Proceeds — (Use a financial calculator, HP 12C or higher)

Prepared by: Agent _____   **Phone** _____

Broker _____   **Email** _____

NOTE: This form is used by a loan broker when arranging a mortgage to refinance an existing mortgage, to disclose to the borrower the annual percentage rate of the costs incurred to generate the net proceeds.

The figures estimated in this sheet may vary and thus cannot be guaranteed because of daily changes in Lender demands for payoff charges, loan fees, payments and interest due.

This estimate is prepared on a refinance under:

☐ Loan broker listing agreement [See **RPI** Form 104]   ☐ Trust deed and note

☐ Loan escrow #_____   ☐ _____

entered into by Owner ☐ on same date, or dated _____, 20_____, at _____, California, regarding real estate referred to as _____

_____ .

FINANCING FACTS:

1. Payoff Costs of Old Loan:

1.1   Balance(s) of old loan(s) . . . . (+)$_____

1.2   Payoff charges:

    a.   Prepayment penalties . . . . $_____

    b.   Reconveyance fees . . . .$_____

    c.   Accrued interest . . . .$_____

    d.   **TOTAL** payoff charges . . . . (+)$_____

1.3   **TOTAL** balance and charges for old loan payoff . . . . $_____ **1**

2. Net Proceeds From New Loan:

2.1   New loan amount . . . . (+)$_____

2.2   New loan costs:

    a.   Points/Discount . . . . $_____

    b.   Miscellaneous origination fees. . . . . $_____

    c.   Interest on closing. . . . .$_____

    d.   Mortgage insurance premium. . . . .$_____

    e.   Loan broker fee. . . . .$_____

    f.   **TOTAL** new loan costs . . . .(-)$_____

2.3   **TOTAL** new loan costs . . . . $_____ **2**

3. Payment Schedule Difference:

3.1   Monthly payment on new loan(s) . . . . (+)$_____

3.2   Monthly payment on old loan(s) . . . .(-)$_____

3.3   **TOTAL** difference in payment schedules . . . . (+ or -)$_____ **3**

4. Holding Period for Averaging Refinance and Payoff Costs:

4.1   Number of months over which costs are averaged (anticipated holding period) . . . . . .#_____ **4**

5. New Loan/Old Loan Difference at End of Holding Period:

5.1   Balance on new loan at end of holding period . . . .(+)$_____
    (Calculate the remaining balance on the new loan at the end of the holding period.)

5.2   Balance on old loan at end of holding period . . . .(-)$_____
    (Calculate the remaining balance on the old loan through the end of the holding period as though it had remained of record.)

5.3   **TOTAL** difference in loan balances at end of holding period . . . .$_____ **5**

6.   **Annual Percentage Rate/Cost of Net Proceeds From Refinance for Holding Period** . . . . _____%
    (Use a hand calculator or amortization program and follow the instructions below.)

    6.1   **FINANCIAL CALCULATOR ENTRIES FOR LINE 6 PERCENTAGE:**

        a.   PV entry: _____, as the net proceeds of refinance (lines 2.3 minus line 1.3).

        b.   PMT entry: _____, as the increase in monthly payments (line 3.3 with reversed +/- entry).

        c.   N entry: _____, as the number of months in holding period (line 4.1).

        d.   FV entry: _____, as the increase in debt for future value (line 2.1 minus line 1.1 with reversed +/- entry).

        e.   Press I: Then multiply the result (monthly interest rate) by 12. Enter that result at line 6 as the annual percentage rate/cost of the net proceeds from the refinance.

Date Prepared: _____, 20_____   Date Prepared: _____, 20_____

Broker: _____   Broker: _____

CalBRE #: _____   CalBRE #: _____

Agent's Name: _____   Agent's Name: _____

CalBRE #: _____   CalBRE #: _____

Signature: _____   Signature: _____