REASONABLE NET TANGIBLE BENEFIT DISCLOSURE AND ACKNOWLEDGEMENT – For Refinance of Owner Occupied 1-4 Family Properties

Lender requires that this form be used in determining "reasonable net tangible benefit", and be fully completed and signed by the borrower[s] and loan originator.

Originating Company Name: _____

Loan Originator Name: _____ **Loan #**_____

Borrower Name[s]: _____

_____

Property Address: _____

_____

PART A – LOAN INFORMATION

	Loan Criteria	New Loan	Previous Loan
1.	**Principal Balance**		
2.	**Interest Rate**		
3.	**Loan Term in Years**		
4.	**Loan Type** ***[Circle One]***	**Fixed Rate ARM Balloon**	**Fixed Rate ARM Balloon**
5.	**Monthly Payment (P&I)**		
6.	**Prepayment Penalty** *[Fill in amount or circle N/A]*	$ or N/A	**$ or N/A**
7.	**Total Points and Fees**		
8.	**Cash Out Amount (if any)**	**$**	
9.	**Is amount in #8 greater than #7?** ***[Circle one]***	**Yes No**	

PART B – BORROWER'S ACKNOWLEDGEMENT

[TO BE SIGNED BY BORROWER(S)] -

I/We will receive a benefit for the following personal or family needs by refinancing my/our current loan with the new loan as described in Part A above:

_____

_____

_____

_____

_____

_____

_____

_____

I/We also certify that we have reviewed the terms of the proposed loan with our loan officer and understand that based on these terms, the new refinance will result in a tangible net benefit to us.

Completed and Acknowledged on _____ ***[Date]***

By _____ _____

[Borrower] ***[Borrower]***

PART C – LOAN ORIGINATOR'S CERTIFICATION

I understand that Lenders policy requires that a "reasonable net tangible benefit" relative to this new refinance transaction be identified and discussed with the borrower[s].

I affirm that the "reasonable net tangible benefit" of the new loan transaction was reviewed with and explained to the borrower.

_____ _____

Date **Loan Originator's Signature**