



Anti-Steering Safe Harbor Disclosure

Mid America Mortgage, Inc. (MAM) is changing its requirements to the Anti-Steering Safe Harbor Disclosure. These new requirements **go into effect on April 1, 2013**, but can be implemented immediately. The changes are material with respect to how MAM will require the disclosure to be filled out.

Anti-Steering Safe Harbor Disclosure Requirements

You are not required to use MAM's form of Anti-Steering Disclosure; however, please keep in mind that your disclosure must incorporate all of the following elements and incorporate the highlighted changes below:

1. The Disclosure must list all of the following loan options for which the borrower likely qualifies from a significant number of lenders with whom you regularly do business (*e.g.*, three):
 - The loan with the lowest interest rate ("risky" features allowed)
 - The loan with the lowest interest rate without any "risky" or "negative" features, such as negative amortization, prepayment penalty, interest-only payments, balloon payment in the first seven years, demand feature, shared equity, or shared appreciation
 - The loan with the lowest total dollar amount for origination points or fees and discount points
2. The Disclosure must be accurate at the time it is given, which should be as soon as you have enough information to prepare it.
3. You must give a separate Disclosure for each type of loan in which your borrower expresses an interest. Your Disclosure must list three options for each loan type in which your borrower is interested.
4. One loan option may meet more than one disclosure requirement; for example, the loan with the lowest interest rate also may be the loan with the lowest interest rate without any risky features. However, we now **require that the Anti-Steering Disclosure contain at a minimum, two (2) different options**. In cases where one loan is used to satisfy two of the three disclosure requirements, you may be required to provide supporting documentation to verify that the single option met both of those requirements.
5. The Disclosure must be signed by all borrowers on the loan.

If you have any questions, please contact your MAM Account Executive.

Publication Date: 3/14/2013

Broker: _____ Borrower Name: _____

Dear Borrower,

You have applied for a mortgage loan through the above-named mortgage broker/originator name. To ensure that you have 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
Option 1	Loan with the lowest Interest Rate		
	Borrower Paid	_____ %	\$ _____
	Lender Paid	_____ %	\$ _____
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		
	Borrower Paid	_____ %	\$ _____
	Lender Paid	_____ %	\$ _____
Option 3	Loan with the lowest total dollar amount for origination points or fees and discount points		
	Borrower Paid	_____ %	\$ _____
	Lender Paid	_____ %	\$ _____
You are applying for a loan with the following terms		_____ %	\$ _____

*Anti-steering Disclosure: Compensation method chosen must be disclosed to the borrower at application.
*Qualified Mortgage & Ability to Repay Rule: Total points & fees cannot exceed 3% or applicable thresholds for low loan amounts as prescribed by the CFPB.

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.

_____ Broker Loan Officer Name	_____ Broker Loan Officer Signature	_____ Date
_____ Broker Entity Name	_____ Broker Entity Address & License Number	
_____ Borrower Name	_____ Borrower Signature	_____ Date
_____ Borrower Name	_____ Borrower Signature	_____ Date
_____ Borrower Name	_____ Borrower Signature	_____ Date
_____ Borrower Name	_____ Borrower Signature	_____ Date