

# MASSACHUSETTS MORTGAGE LOAN BENEFIT WORKSHEET – CORR.

Date Prepared: \_\_\_\_\_

**Each borrower must sign and receive a copy of this form at or before the date of closing by the lender if the purpose of the new home loan is either to pay off an existing home loan that closed within 60 months from the date of the new application or any other debt of the borrower. The original of this form must be retained in the lender’s loan file.**

The following worksheet must be used in the determination of a borrower’s benefit as the benefit relates directly to the new mortgage loan extended unless:

- The new loan is guaranteed by the Federal Housing Administration, the Department of Veteran Affairs, or other State or federal housing finance agencies, or;
- For closed-end home loans, the annual percentage rate of the new home loan at consummation does not exceed by more than 2.5 percentage points for first-lien home loans or by more than 3.5 percentage points for subordinate-lien home loans the yield on United States Treasury securities having comparable periods of maturity to the loan maturity as of the fifteenth day of the month immediately preceding the month in which the application for the extension of credit is received by the lender/broker, or:
- For open-end loans, the annual percentage rate under the agreement will not exceed at any time the Prime rate index as published in the Wall Street Journal plus a margin of one percentage point; or
- The borrower is able to recoup the costs of refinancing the home loan within two years, taking into account costs and fees, and the interest rate on the new home loan is reduced without increasing the amortization period of the new home loan compared to the original amortization term of the old home loan.

Additional information may be provided on supplemental sheets or on the reverse if the fields below are insufficient.

Loan Originator/Processor: \_\_\_\_\_

Lender/Broker: \_\_\_\_\_

Borrower Name(s): \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Property Address: \_\_\_\_\_  
 \_\_\_\_\_

Loan Number: \_\_\_\_\_

**New Loan Data:**

Closing Date:		Loan Amount: \$	
Loan Term:	Months	Note Rate:	% Monthly Principal & Interest Payment: \$

**Outstanding First Mortgage Lien:**

Loan Date:		Loan Amount: \$	
Loan Term:	Months	Note Rate:	% Monthly Principal & Interest Payment: \$

**Outstanding Junior Mortgage Lien:**

Loan Date:		Loan Amount: \$	
Loan Term:	Months	Note Rate:	% Monthly Principal & Interest Payment: \$

**Outstanding Loan Obligations or Other Debts to Be Paid with Loan Proceeds:**

Date of Debt:	Current Balance: \$	Current Rate: %
Remaining Repayment Period:	Months	Current Monthly Payment: \$

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Remaining Repayment Period:	Months	Current Monthly Payment: \$

Date of Debt:	Current Balance: \$	Current Rate: %
Remaining Repayment Period:	Months	Current Monthly Payment: \$

Date of Debt:	Current Balance: \$	Current Rate: %
Remaining Repayment Period:	Months	Current Monthly Payment: \$

See attached schedule of additional debts.

**LOAN ORIGINATOR TO COMPLETE**

Based on a review of the borrower's file and/or discussions with the borrower, the borrower will receive the following described benefits through a refinancing of an existing home loan and/or the paying off of other debt of the borrower (Please check every benefit that applies. At least two conditions must apply.):

- The borrower will receive cash-out funds from the new loan, in excess of the costs and fees of refinancing, to pay necessary expenses towards the following (please check all that apply):
  - Medical expenses
  - Education expenses
  - Home improvement
  - Other: \_\_\_\_\_
  - Other: \_\_\_\_\_
  - Other: \_\_\_\_\_
- Obtaining a lower mortgage loan interest rate without increasing the amortization period of the new loan.
- Obtaining a lower mortgage loan monthly payment taking into account costs and fees.
- Obtaining a shorter mortgage loan term with the same or reduced interest rate as the original mortgage loan.
- Consolidating outstanding debt obligations into a single mortgage loan rate. Will the new total monthly payment be lower than the total of all monthly obligations being financed, taking into account costs and fees? \_\_\_\_\_
- Making the balloon payment on an existing mortgage loan.
- Avoiding foreclosure under the terms of an existing mortgage loan.
- Converting from a mortgage loan with an adjustable interest rate to a fixed interest rate mortgage loan taking into account costs and fees.
- Borrower will be able to respond to a bona fide personal need or an order of a court of competent jurisdiction.
- Ability to remove private mortgage insurance by lowering loan-to-value (LTV).
- Borrower will be able to recoup the costs of refinancing the home loan within two years, taking into account the costs and fees.
- Other (please specify): \_\_\_\_\_

Lender:

Prepared By (signature) : \_\_\_\_\_ Date: \_\_\_\_\_  
 Print name & Title here :

Approved By (signature) : \_\_\_\_\_ Date: \_\_\_\_\_  
 Print name & Title here :

**BORROWER CERTIFICATION:**

- I understand that a borrower's interest determination is not required for the reason(s) set forth above.
  
- Unless otherwise exempt, I understand that a lender may not knowingly make a home loan if the home loan pays off all or part of any existing home loan that was consummated within the prior 60 months from the date of the new application or other debt of the borrower unless the refinancing is in the borrower's interest. I understand that entering into a new mortgage loan transaction obligates me to repay a loan over an extended period of time, involves new loan costs and fees, will result in a lien against my property, and, to the extent that I am obtaining cash out, this will decrease my equity in the property. However, I believe that this new mortgage loan transaction is in my interest for the reasons noted above. I understand and confirm the benefit of entering into the new mortgage loan transaction.

In the event I later allege that the Lender violated Section 28C of Chapter 183 of the Massachusetts General Laws, I agree to provide the Lender with a written demand for relief not less than thirty (30) days prior to the filing of such action, identifying myself and reasonably describing the alleged violation of that section.

Borrower:	_____	Date:	_____
Borrower:	_____	Date:	_____
Borrower:	_____	Date:	_____
Borrower:	_____	Date:	_____