⚠ **5 days to closing — April 15, 2026**

Two high-risk findings require your attention before you sign

PREPARED FOR

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64 Maplewood Street, Newton, MA 02458

Illustrative sample — fictional borrower and figures, for demonstration only.

62
out of 100

REVIEW

PURCHASE PRICE	LOAN AMOUNT
$452,000	**$360,000**
LOAN TYPE	**LENDER**
30-Yr Fixed 6.875%	**NE Community Mortgage**

WHAT HOMERA FOUND — 27 CHECKS ACROSS 6 RISK CATEGORIES · 5 ITEMS REQUIRE YOUR ATTENTION

- HIGH RISK — **Prepayment Penalty: 3-Year Window**
  Up to $3,600 if you sell or refinance before April 2029. You're entitled to see this loan without it
- HIGH RISK — **APR Doesn't Match the Itemized Fees: ~$11,600 Unexplained**
  The disclosed APR implies far more in finance charges than your Loan Estimate lists
- WARNING — **Closing Disclosure: $275 Fee Increase Above the Limit**
  A lender-required service rose $275, and the Total of Payments wasn't updated to match
- WARNING — **Rate 0.51% Above PMMS Benchmark**
  $43,268 in additional interest over 30 years vs. market
- WARNING — **Origination Fee 1.4%: $1,440 Above Normal Range**
  Above the 0.5–1.0% standard; negotiable before you sign
- CONFIRMED — **Loan Type Confirmed: 30-Year Fixed as Applied**
  No product switch detected between application and Loan Estimate

SCORE BREAKDOWN BY CATEGORY

Loan Structure & DTI	**74**	wt 35%
Prepayment & Exit	**40**	wt 25%
Rate & Pricing	**64**	wt 15%
Fee Disclosure & APR	**50**	wt 15%
Title & Ownership	**98**	wt 5%
Market Context	**84**	wt 5%

YOUR LOAN OFFICER

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SCORE BANDS

- **0–40 Pause** — significant issues found
- **41–65 Review** — resolve before signing
- **66–100 Proceed** — close with confidence

Affordability Analysis

Informational — does not affect risk score

Monthly P&I (from LE)	**$2,365**
Est. taxes + insurance (from LE escrow)	**$650**
Total monthly housing cost	**$3,015**
Existing monthly debts (provided)	**$485**
Gross monthly income (provided)	$9,200 / mo

HOUSING DTI

32.7%

($3,015 / $9,200)

RISKY

Housing cost alone is above the 28–31% range lenders commonly use as a guide. This is the main pressure point — not consumer debt.

TOTAL DTI

38.0%

($3,500 / $9,200)

MARGINAL

All debts combined are below the 43% level many lenders treat as a ceiling. Consumer debt adds limited additional pressure.

HOUSING (FRONT-END) DTI

● **SAFETY** ≤28% ● **MARGINAL** 28–31% ● **RISKY** 31–40%

● **DANGER** >40%

TOTAL (BACK-END) DTI

● **SAFETY** ≤36% ● **MARGINAL** 36–43% ● **RISKY** 43–50%

● **DANGER** >50%

62

/100

REVIEW

SCORE BANDS

● 0–40 ● 41–65 ● 66+

This loan passed 22 of 27 checks. Two high-risk findings need answers before you commit: a prepayment penalty, and an APR that doesn't match the fees itemized on your Loan Estimate. Your Closing Disclosure also raised a lender-required fee by $275 more than the rules allow. Bring the questions in this report to your loan officer before signing.

What We Found

1 HIGH RISK **Prepayment Penalty: 3-Year Window**

Your loan carries a prepayment penalty for the first 36 months: 1% of your remaining balance, up to $3,600, if you sell or refinance before April 2029.

Federal rules allow a penalty like this only on certain fixed-rate loans, and only if the lender also offers you the same loan without one, with the same type of rate and the same term. Many borrowers never see that alternative because they never ask. A job move, a growing family or a rate drop could make this an exit cost you didn't plan for.

A penalty is also allowed only on a loan that meets the federal qualified-mortgage test, which caps points and fees at 3% of the loan. The unexplained charges in Finding 2 could put that in question, which is one more reason to get the breakdown.

"Please send me the version of this loan without a prepayment penalty, as required, so I can compare the rate and costs side by side."

COST IF YOU SELL OR REFI YRS 1–3

$3,600

1% of balance

2 HIGH RISK **APR Doesn't Match the Itemized Fees: ~$11,600 Unexplained**

Your Loan Estimate shows a rate of 6.875% and an APR of 7.412%. The finance charges it itemizes (origination, lender-required services and prepaid interest) total about $7,200. Those would support an APR of about 7.07%.

An APR of 7.412% on this loan implies about $18,800 in finance charges, roughly $11,600 more than the page shows. Either the APR is overstated or there are charges you haven't been shown. Either way, you should know which before you sign.

"My Loan Estimate itemizes about $7,200 in finance charges, but the 7.412% APR implies about $18,800. Please send me a written list of every charge included in the APR so I can see what accounts for the difference."

FINANCE CHARGES NOT ACCOUNTED FOR

~$11,600

APR implies $18,800 · LE lists ~$7,200

Forensic Math

Homera rebuilds key figures line by line from your source documents — origination charges, service fees, prepaid items, and amortization schedules — rather than relying on the totals your lender has already disclosed. These are independent calculations.

Finding 3 — Closing Disclosure: Fee Increase and Total of Payments

Your Closing Disclosure raised Section B, the services you could not shop for, from $1,200 to $1,475. Charges for services you weren't allowed to shop for generally can't increase at all from the Loan Estimate unless the lender documents a valid changed circumstance. If there isn't one, the lender must refund the $275 at or after closing.

The Total of Payments on the Closing Disclosure is the sum of principal, interest, mortgage insurance and loan costs. Homera rebuilt it from the Closing Disclosure's own figures. The lender's total still uses the old Section B amount, so it is understated by $275, more than the $100 the rules allow.

Component	Basis	Amount
Principal & interest (360 payments × $2,364.94)	Amortization schedule	$851,380
Mortgage insurance	None on this loan	$0
A. Origination charges	Closing Disclosure page 2	$5,040
B. Services you cannot shop for	Closing Disclosure page 2	$1,475
C. Services you can shop for	Closing Disclosure page 2	$425
Homera Total of Payments		**$858,320**
Lender's Total of Payments (Closing Disclosure page 5)		**$858,045**
Understated by		**−$275**

Why it matters: The two problems are linked. The lender added $275 to Section B but left the Total of Payments where it was. Ask for the increase to be explained or refunded, and for a corrected Closing Disclosure.

Finding 2 — APR Reconciliation

Homera recalculated the APR from the finance charges itemized on your Loan Estimate: origination $5,040, lender-required services $1,200 and 14 days of prepaid interest at $949, about $7,200 in total. Some of these, such as the appraisal and credit report, may not be finance charges, while a lender-required settlement fee in Section C could be, so the itemized total is approximate. They support an APR of about 7.07%. The disclosed 7.412% implies about $18,800.

DISCLOSED RATE	DISCLOSED APR	APR THE ITEMIZED FEES SUPPORT
6.875%	7.412%	~7.07%
Interest rate on LE page 1	APR on LE page 1	~$11,600 in charges unaccounted for

4 WARNING Rate 0.51% Above PMMS Benchmark

The Freddie Mac PMMS benchmark was 6.37% the week of this estimate (April 9, 2026). Your rate is 6.875%, a gap of 0.51%, costing $120 more per month and $43,268 in additional interest over 30 years.

A rate above PMMS is not automatically overcharging — credit profile and property type matter. But you are entitled to an explanation and to know what discount points would cost to buy your rate down before you commit.

"The current PMMS is 6.37%. What drives my rate to 6.875%? What would it cost in discount points to reach 6.625%?"

EXTRA INTEREST VS. MARKET, 30 YRS

$43,268

+$120/mo vs. market

5 WARNING Origination Fee 1.4%: $1,440 Above Normal Range

Your origination charge is 1.4% of the loan amount ($5,040). The conventional range is 0.5–1.0% ($1,800 to $3,600). You are paying $1,440 above the top of the normal range.

Origination fees are among the most negotiable costs in a mortgage. Most borrowers never ask. A single five-minute conversation can recover this amount in hard costs.

"Your origination fee is 1.4%. The conventional range is 0.5–1.0%. Can you reduce it to 1.0% and send me a revised Loan Estimate?"

EXCESS FEE ABOVE 0.5–1.0% RANGE

$1,440

negotiable at closing

What Looks Clean

6 PASS Loan Type Confirmed: 30-Year Fixed as Applied

You applied for a 30-year fixed-rate mortgage. This Loan Estimate confirms a 30-year fixed product at 6.875%. No loan type switch was detected between application and Loan Estimate.

Loan type switching between application and LE is a documented pattern. This check confirms it did not happen here. Verify again at the Closing Disclosure that product, rate, and term remain unchanged before you sign.

Additional checks that passed

- Loan term matches application; no undisclosed term extension
- Rate lock documented beyond closing date
- No negative amortization; monthly payment covers full P&I
- Total debt-to-income (38%) within typical lender limits
- No balloon payment present; loan amortizes fully
- Closing Disclosure issued within TRID 3-business-day requirement
- No HOEPA high-cost trigger on the itemized fees; recheck once the APR is explained
- Single TILA disclosure; no conflicting APR statements found

Your Financial Exposure

Four numbers showing what this loan costs beyond what it needs to, before you sign.

PREPAYMENT PENALTY

$3,600

if you sell or refi before April 2029. Your lender must also offer the same loan without it.

UNEXPLAINED FINANCE CHARGES

~$11,600

The gap between what your APR implies and the fees your Loan Estimate lists.

EXTRA INTEREST VS. MARKET

$43,268

Rate 0.51% above PMMS over 30 years. Full cost on a $360,000 loan.

EXCESS ORIGINATION

$1,440

Above the 0.5–1.0% normal range. One conversation can recover this today.

Cumulative Rate Gap — Extra Cost at Key Milestones

Your rate is 0.51% above benchmark. The extra $120 a month adds up over the life of the loan.

YEAR 1	YEAR 5	YEAR 10	YEAR 20	YEAR 30
$1,442	$7,211	$14,423	$28,845	$43,268

Phase 1b — Loan Estimate vs. Closing Disclosure

Completed: Closing Disclosure received and compared against your Loan Estimate

Some charges can't increase at all: the lender's own fees, services you weren't allowed to shop for, transfer taxes and lender credits. Recording fees and services you chose from the lender's list can rise 10% in total. Prepaids, escrow and services from providers you picked yourself have no limit.

Line Item	Loan Estimate	Closing Disc.	Change	Tolerance
A. Origination Charges	$5,040	$5,040	$0	No change (zero tolerance)
B. Services You Cannot Shop For	$1,200	$1,475	**+$275**	**Above limit: ask for refund or a documented changed circumstance**
C. Services You Can Shop For	$425	$425	$0	No change
D. Total Loan Costs	**$6,665**	**$6,940**	**+$275**	
E. Taxes & Government Fees	$1,800	$1,800	$0	No change
F. Prepaids	$3,200	$3,200	$0	No change (no limit)
G. Initial Escrow Payment	$2,100	$2,340	**+$240**	No limit; ask why it rose
H. Other Costs	$890	$1,240	**+$350**	Usually no limit; confirm what changed
I. Total Other Costs	**$7,990**	**$8,580**	**+$590**	
J. Lender Credit	−$1,500	−$500	**+$1,000**	**Can't drop without a documented changed circumstance**
Total Closing Costs (D + I − J)	**$13,155**	**$15,020**	**+$1,865**	
Down Payment	$92,000	$92,000	$0	
Deposit Already Paid	−$10,000	−$10,000	$0	
Cash to Close	**$95,155**	**$97,020**	**+$1,865**	**Seek written explanation**

Your Next Step

TODAY — 5 DAYS TO CLOSING

Send This Email to Your Loan Officer Now

Score 62 (REVIEW band) with two high-risk findings and a fee increase above the limit on your Closing Disclosure. You need written answers to four questions before you commit. Copy, paste, and send:

To: jcaldwell@necommunity.com
Subject: Four questions before we proceed — 64 Maplewood St

James,

Before we move forward, I need written answers to the following:

1. Please send me the version of this loan without the prepayment penalty, which you're required to offer, so I can compare the rate and costs side by side.
2. My Loan Estimate itemizes about $7,200 in finance charges, but the 7.412% APR implies about $18,800. Please send me a written list of every charge included in the APR.
3. The Closing Disclosure raises Section B by $275 and cuts the lender credit by $1,000. Please explain both in writing, including any changed circumstance, refund any amount above the tolerance limits, and correct the Total of Payments.
4. Your origination fee is 1.4% ($5,040). The conventional range is 0.5–1.0%. Can you reduce it to 1.0% and issue a revised LE?

Thank you,
Daniel & Sofia Hart

Most lenders respond within 24 hours. A lender who will not answer these questions in writing before closing is giving you important information.

YOUR FORENSIC ANALYST

Questions about this report? Ask Homera's forensic analyst.

Every Homera report includes access to Homera's forensic analyst in your personal portal — built on more than 30 years of forensic mortgage case work by a Certified Fraud Examiner (CFE, MAFF). Ask it to explain any finding in plain English, tell you what to say to your lender, or walk you through what a disclosure problem means for your closing timeline.

For ongoing questions after you close — balance anomalies, servicer changes, new liens — **Homera Monitor** keeps the forensic analyst with you and watches your loan every month.

Built on 300,000+ loan documents and 30+ years of forensic mortgage case work · joinhomera.com

If Your Lender Won't Fix These Issues

You have the right to delay closing if the Closing Disclosure contains material changes from the Loan Estimate. If your lender will not address the concerns raised in this report in writing — particularly the lender credit reduction and the APR fee breakdown — take that seriously before you sign. A HUD-approved housing counselor or a consumer protection attorney can help you understand your options.

After You Close — Homera Monitor ($299/year)

Once you've signed, your servicer takes over. Monitor runs monthly checks on your balance, payment application, and new liens — and alerts you the moment something looks wrong. The forensic analyst stays with you for every question that comes up over the life of your loan.

External Data Sources

OWNERSHIP RECORD

Seller Matches Title

Recorded owner matches the seller on your contract

ATTOM TITLE

No Open Liens

No undisclosed encumbrances
Title appears clean

CFPB COMPLAINTS

12 On Record

Low volume; review recent escrow complaint categories

GSE ELIGIBILITY

Fannie Eligible

Meets conforming limits
GSE underwriting parameters

EXTRACTION CONFIDENCE

Overall confidence: HIGH (0.94 avg across all critical fields). All scored fields extracted above the 0.90 threshold. Cash-to-close liquidity check skipped; borrower savings not provided.