

Metro Atlanta Mortgage Company, Inc.
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We get many questions from our customers regarding the figures on the Truth in Lending form and hope this brief explanation will be of assistance to you. Below is an explanation of the four figures, which cause the most confusion.

1. **Annual Percentage Rate**: This rate is different from the *Note Interest Rate*. This rate calculation takes into consideration the total interest, prepaid finance charges paid by the buyer or seller, private mortgage insurance, and FHA MIP computed for the life of the loan (where applicable). Prepaid finance charges are listed in item three below.
2. **Finance Charge**: This is the difference between the amount financed and the total of payments for the term of the loan. This is used only to achieve the ARP.
3. **Amount Financed**: This is the Loan Amount Less the costs you as the borrower have agreed to pay to obtain your mortgage. These costs are called Prepaid Finance Charges and include the following (where applicable):

Loan Origination, Discount Points, Processing Fees, Tax Service Fee, Underwriting Fee, Flood Certification, Per Diem Interest, Courier Fees, Assignment & Recording Fees, Wire Fees, Georgia Residential Loan Fee.

4. **Total of Payments**: This is the total of principal and interest for the life of the Loan.

We would like to point out that there are costs computed for the entire term of the loan and do not take into consideration early payoff. A FINAL TRUTH IN LENDING, BASED ON EXACT FIGURES WILL BE PROVIDED AND EXPLAINED BY THE CLOSING ATTORNEY AT YOUR CLOSING.