

**Good Faith Estimate Definition:** In good faith, we are estimating the closing costs for your loan and real estate transaction. These estimates are as close to actual as can be obtained without having your transaction in process where various third parties, including the Mexican government finalize certain closing costs. Remember - third party and government fee schedules are subject to change without notice to Conficasa Mortgage International. As a result, Conficasa does our very best to maintain current and accurate data at all times. It is important to note that there are several fees which are not final until the close. **Therefore, Conficasa's in-house Closing Department provides the Borrower with a Cost Summary Recap at the start of the closing process. This summary provides an update as to the revised fees which may be more clearly estimated at the start of closing. Further, just prior to closing, Conficasa's Closing Department will again provide to the Borrower a second and Final Cost Summary Update which will include the Final fees, as well as what has already been paid by the borrower.**

The closing structure varies for each specific lender. Specifically, each lender has its own fees as well as third parties which are authorized to work on the transactions. As a result, closing costs vary slightly depending on each lender. While each lender selects a list of authorized third parties based on service level, execution records and fees, all third parties used are competitive in terms of fees.

**Items In Connection with Financing**

Depending on Lender, fees in this section may be re-arranged or labeled differently. The totals for each lender are usually very comparable.

#800 Section	Payable	Notes
801 - Loan Origination	Lender	All mainstream lender programs charge a 1% origination fee regardless of whether they "wholesale" through a broker to offer their programs to the public
804 - Credit Report	Lender	Fee varies with a maximum of \$60. Conficasa does not charge separately for credit reports unless Canadian clients
808 - Mortgage Broker Fee	Conficasa	Fees range between 1-2% depending on lender, loan amount and property. The fee includes extensive preparation of all loan and property specific documents, including gathering, reviewing and analyzing documents from the borrower and third parties in order to obtain loan commitment. All fees are charged on the front-end as opposed to buried in the interest rate (known as yield spread premium, as done in the U.S.)
810 - Processing Fee	Conficasa	A processing fee of \$595 is charged upon submission; this fee is sometimes shown in #1300 section depending on lender
811 - Underwriting Fee	Lender	Fee varies with a maximum of \$600
812 - Wire Transfer	Lender	Fee varies with a maximum of \$150
813 - Funding Fee	Lender	Fee varies with a maximum of \$150
814 - Courier Fee	Lender	Fee varies with a maximum of \$100

**Closing/Title Related Fees**

This section can also be somewhat shared with the #1300 section depending on lender requirements and structure.

#1100 Section	Payable	Notes
1101 - Closing Agent	Conficasa / Third Party	Due to the complexity of Mexico real estate transactions (cash or financed), a proven Closing Agent is required for all financed transactions as well as utilized for almost all reputable developments (for cash closes). The Closing Agent "processes" all closing documents and acts as a crucial liaison.
1106 - Notario	Third Party	Necessary for all legal transactions in Mexico, fees vary depending on Notario and Lender, typically ranging from \$1,500-\$2,500
1108 - Title Insurance	Title Co.	Title insurance is optional depending on the lender used. For lenders that require title insurance, fees vary between \$3.5-\$7 per \$1,000 based on loan amount
1109 - Title Agent	Title Co.	Only required where title insurance is required, fees vary and range up to \$500
1109 - POA	Third Party	Assigning a POA is highly recommended for all transactions (cash or financed), <b>but optional</b> . POA fees range up to \$300
1110 - Escrow Fee	Escrow Co.	Escrow is required for all financed transactions to protect the buyer (and highly recommended and utilized for all cash transactions). Fees vary by escrow company used but range up to \$550
1110 - Title Opinion	Title Co.	Only required where title insurance is required, fees are typically \$1,300
1111 - SRE & RNIE Permits	Third Party	Fees vary by Fiduciary (aka Trustee Bank) up to \$2,000. SRE and RNIE Permits are instrument that allow a "Foreigner" to own property in Mexico. These permits are ordered through Foreign Affairs Administration and is required for all transactions.
1112 - Wire Transfer	Escrow Co.	Fee varies by lender and escrow company and range up to \$100
1112 - Trust Set Up & First Year Fee	Fiduciary	This fee varies on Trustee Bank and ranges between \$400 and \$600 for set up and annual fee. The trust set up fee is to establish your annual trust with the lender and their fiduciary. The annual fee is collected at closing for your first year of the trust.

**Government Recording & Transfer Charges**

This section will apply on every transaction and will NOT be changeable by lender. These fees are rated by Government and/or Bureaucracies.

#1200 Section	Payable	Notes
1204 - Registry Guarantee Trust	Third Party	This provides for the lender to legally register a guarantee for the loan with public registry, allowing them to secure the property as collateral on the loan. Fees vary based on a formula from the Notario and are finalized just prior to close.
1205 - Registry Real Estate Trust	Third Party	This provides for the buyer to legally register the transfer of ownership of the property with public registry. Fees vary based on a formula from the Notario and are finalized just prior to close.
1206 - Transfer (Acquisition) Tax	Mexican Gov't	Unlike the US where large tax assessments are paid annually, a 2% acquisition tax is paid upon purchasing your property in Mexico (cash or financed). This fee is a non-recurring fee. This fee "may" apply on refinances but is often BETTER than capital gains. Further, ongoing annual property taxes are extremely low in Mexico as compared to the U.S.

SEE PAGE 2 FOR COLOR KEY

**Additional Settlement Charges**

As noted - This section can also be somewhat shared with the #1100 section depending on lender requirements and structure.

#1300 Section	Payable	Notes
1301 - Avaluó Catastral	Third Party	Fee varies slightly (typically a max at \$1,000) depending on lender selected appraiser. Avaluó Catastral is the Mexican Appraisal which all financing AND cash purchases are subject to and is used to determine a property's tax base.
1303 - Commercial / Legal Appraisal	Third Party	Fee varies slightly depending on lender selected appraiser. Fees typically range from \$850 to \$1,250 but may be higher for very large properties. This fee may show in Line 904 depending on Lender Requirements
1303 or 1304 - Catastral Documents	Third Party	Total fees for Catastral Documents vary between \$90-\$200. The Catastral Documents include the Certificate of No Liens, Certificate of No Tax Debt and Catastral Appraisal (also known as Avaluó Catastral which is shown separately in #1301 above). All Catastral documents are required by the Notario prior to the closing of any real estate transaction. In some cases, outstanding property taxes have to be paid in order to get the certificate.
1305 - Closing Coordination	ConfiCasa	Closing Coordination fee of \$695 is charged for Conficasa's coordination of the closing process, which requires significant resources to ensure the transaction goes smoothly.
1305 - SRE & RNIE Permits	Third Party	This fee may show up here but reference definition in #1111
1306 - IVA aka Value Added Tax	ConfiCasa	This fee only applies for transactions in which are originated in Mexico. This is the Mexico related Sales Tax and is 10% of Total Broker Origination
1306 - Trust Set Up & First Year Fee	Fiduciary	This fee may show up here but reference definition in #1112

**Items Required By Lender To Be Paid In Advance**

This section will likely be designated directly by the lender and/or Home Owners Association and is not calculated by the Broker.

#900 Section	Payable	Notes
901 - Interest	Lender	Lender requirements for interest credits vary. Usually, interest is collected at closing prorating your first monthly payment for 45 days following the close of Escrow.
903 - Hazard Insurance	Third Party	Hazard Insurance is ALWAYS required by the lender to cover hazard, flood, fire, hurricane and earthquake. Often, HOA will cover most or some of the premium therefore not estimated on your GFE. While hazard insurance is not required for cash transactions it is almost always purchased by a property owner.

**Totalling Your Transaction**

This section can be referenced via Total Estimated Funds To Close on your GFE

Settlement Charges Section	Credit or Debit	Notes
Purchase Price	Debit	
Cash Deposit	Credit	This amount is estimated from your down payment to the seller directly and usually ranges between 20%-40% of your purchase price. All funds and costs paid to seller will be reconciled at the beginning and end of your closing process.
Loan Amount	Credit	
Prepaid Items	Credit	
Upfront Escrow Monies	Credit	<b>This amount will not be reflected on your GFE. Note the red typed sections on what monies would apply here.</b>
Estimated Closing Costs	Debit	

COLOR KEY	
	Upfront / Prepaid
	Financing Transactions
	Cash AND Financing Transactions
	Financing Transactions but Often for Cash Transactions