

**STATE OF MAINE – REASONABLE, TANGIBLE NET BENEFIT DISCLOSURE FORM**

This disclosure is being provided to you in order to clarify one of the protections required by the “Act to Protect Maine Homeowners from Predatory Lending” enacted in 2007, amended by “An Act Relating to Mortgage Lending and Credit Availability” and “An Act to Conform State Mortgage Laws with Federal Laws.” The law protects borrowers from certain loan brokering and lending practices. One of the prohibited practices is known as “flipping a residential mortgage loan when making a higher-priced mortgage loan.”

**WHAT IS FLIPPING?** “Flipping” is the making of a higher-priced mortgage loan (the “new loan”) to a borrower who refinances an existing residential loan when the new loan does not result in a “reasonable, tangible net benefit” to the borrower.

Borrower name(s):
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Property address:
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**BASED UPON THE REVIEW BY THE LENDER, AND THE MORTGAGE BROKER, IF ONE IS USED, OF ALL OF THE CIRCUMSTANCES RELATED TO THE NEW LOAN AND ANY DEBTS TO BE PAID FROM THE PROCEEDS OF THE NEW LOAN, THE NEW LOAN PROVIDES A REASONABLE, TANGIBLE NET BENEFIT TO YOU AS FOLLOWS:**

Loan Information		
	New Loan	Old Loan
Monthly payment amount		
Length of repayment period		
Amount of cash out (or paid to others)		
Interest rate or weighted average interest rate		
Type of loan (Adjustable Rate Loan or Fixed Rate Loan)	Adjustable    Fixed (Circle one.)	Adjustable    Fixed (Circle one.)
Bona fide personal need, as reasonably determined by the borrower?	Yes      No (Circle one.)	

**CREDITOR TO COMPLETE:**

The borrower received the following reasonable, tangible net benefit from the new loan (include bona fide personal need, if applicable):

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After reviewing all relevant information, the lender and mortgage broker, if one was used, confirm that they have performed the analysis of the applicable reasonable, tangible net benefit as identified above and that they have explained the analysis to the borrower. The borrower(s) acknowledge(s) that the lender and mortgage broker, if one was used, have identified and explained the reasonable, tangible net benefit(s).

**FOR LENDERS:**

I have reviewed and explained this Form and the answers provided therein to the borrower.

\_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_  
Agent/Loan Officer's printed name      Title

\_\_\_\_\_  
Agent/Loan Officer's signature      Date

On behalf of: \_\_\_\_\_  
(Name of Lender)

**FOR LOAN BROKERS:**

I have reviewed and explained this Form and the answers provided therein to the borrower.

\_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_  
Agent/Loan Officer's printed name      Title

\_\_\_\_\_  
Agent/Loan Officer's signature      Date

On behalf of: \_\_\_\_\_  
(Name of Mortgage Broker)

\_\_\_\_\_  
Borrower's printed name

\_\_\_\_\_  
Co-Borrower's printed name

\_\_\_\_\_  
Borrower's signature

\_\_\_\_\_  
Co-Borrower's signature

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

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

\* If the terms of the refinancing change after the mortgage broker explains its answers to the borrower and signs this form, the lender shall explain its answers to the borrower and sign a new form.

*CONSUMERS:*

*If you have questions regarding your loan or creditor, please contact one of the following Bureaus.*

*The Maine Bureau of Financial Institutions regulates state-chartered banks and credit unions. Its website address is <http://www.maine.gov/pfr/financialinstitutions/>, and its toll-free telephone number, if calling in Maine, is 1-800-965-5235.*

*The Bureau of Consumer Credit Protection regulates mortgage companies and loan brokers. Its website address is <http://www.Credit.Maine.gov>, and its toll-free telephone number, if calling in Maine, is 1-800-332-8529.*