AUTHENTICATED
U.S. GOVERNMENT
INFORMATION
GPO

H-16—Mortgage Sample

You are not required to complete this agreement merely because you have received these disclosures or have signed a loan application.

If you obtain this loan, the lender will have a mortgage on your home.

YOU COULD LOSE YOUR HOME, AND ANY MONEY YOU HAVE PUT INTO IT, IF YOU DO NOT MEET YOUR OBLIGATIONS UNDER THE LOAN.

You are borrowing $_____ (optional credit insurance is ☐ is not ☐ included in this amount).

The annual percentage rate on your loan will be: _____%.

Your regular [frequency] payment will be: $_____.
[At the end of your loan, you will still owe us: $ [balloon amount].]

[Your interest rate may increase. Increases in the interest rate could increase your payment. The highest amount your payment could increase is to $_____.]

[46 FR 20892, Apr. 7, 1981, as amended at 46 FR 29246, June 1, 1981; 52 FR 52 FR 48671, Dec. 24, 1987; 53 FR 467, Jan. 7, 1988; Reg. Z, 60 FR 15473, Mar. 24, 1995; 61 FR 49247, Sept. 19, 1996; 62 FR 63444, 63445, Dec. 1, 1997; 62 FR 66179, Dec. 17, 1997; Reg. Z, 63 FR 2723, Jan. 16, 1998; 66 FR 65618, Dec. 20, 2001]

APPENDIX I TO PART 226—FEDERAL ENFORCEMENT AGENCIES

The following list indicates which federal agency enforces Regulation Z for particular classes of businesses. Any questions concerning compliance by a particular business should be directed to the appropriate enforcement agency. Terms that are not defined in the Federal Deposit Insurance Act (12 U.S.C. 1813(s)) shall have the meaning given to them in the International Banking Act of 1978 (12 U.S.C. 3101).

National banks and federal branches and federal agencies of foreign banks

District office of the Office of the Comptroller of the Currency for the district in which the institution is located.

State member banks, branches and agencies of foreign banks (other than federal branches, federal agencies, and insured state branches of foreign banks), commercial lending companies owned or controlled by foreign banks, and organizations operating under section 25 or 25A of the Federal Reserve Act

Federal Reserve Bank serving the district in which the institution is located.

Non-member insured banks and insured state branches of foreign banks

Federal Deposit Insurance Corporation Regional director for the region in which the institution is located.

SAVINGS INSTITUTIONS INSURED UNDER THE SAVINGS ASSOCIATION INSURANCE FUND OF THE FDIC AND FEDERALLY CHARTERED SAVINGS BANKS INSURED UNDER THE BANK INSURANCE FUND OF THE FDIC (BUT NOT INCLUDING STATE-CHARTERED SAVINGS BANKS INSURED UNDER THE BANK INSURANCE FUND).

Office of Thrift Supervision Regional Director for the region in which the institution is located.

FEDERAL CREDIT UNIONS

Regional office of the National Credit Union Administration serving the area in which the Federal credit union is located.

AIR CARRIERS

Assistant General Counsel for Aviation Enforcement and Proceedings, Department of Transportation, 400 Seventh Street, SW., Washington, DC 20590.

CREDITORS SUBJECT TO PACKERS AND STOCKYARDS ACT

Nearest Packers and Stockyards Administration area supervisor.

FEDERAL LAND BANKS, FEDERAL LAND BANK ASSOCIATIONS, FEDERAL INTERMEDIATE CREDIT BANKS AND PRODUCTION CREDIT ASSOCIATIONS.

Farm Credit Administration, 490 L'Enfant Plaza, SW., Washington, DC 20578.

RETAIL, DEPARTMENT STORES, CONSUMER FINANCE COMPANIES, ALL OTHER CREDITORS, AND ALL NONBANK CREDIT CARD ISSUERS (CREDITORS OPERATING ON A LOCAL OR REGIONAL BASIS SHOULD USE THE ADDRESS OF THE FTC REGIONAL OFFICE IN WHICH THEY OPERATE.)

Division of Credit Practices, Bureau of Consumer Protection, Federal Trade Commission, Washington, DC 20580.

[Reg. Z, 46 FR 20892, Apr. 7, 1981, as amended at 50 FR 8708, Mar. 5, 1985; 54 FR 53539, Dec. 29, 1989; 56 FR 51322, Oct. 11, 1991; 57 FR 20400, May 13, 1992]

APPENDIX J TO PART 226—ANNUAL PERCENTAGE RATE COMPUTATIONS FOR CLOSED-END CREDIT TRANSACTIONS

(A) INTRODUCTION

(1) Section 226.22(a) of Regulation Z provides that the annual percentage rate for other than open end credit transactions shall be determined in accordance with either the actuarial method or the United States Rule method. This appendix contains an explanation of the actuarial method as well as equations, instructions and examples of how this method applies to single advance and multiple advance transactions.

(2) Under the actuarial method, at the end of each unit-period (or fractional unit-period) the unpaid balance of the amount financed is increased by the finance charge earned during that period and is decreased by the total payment (if any) made at the end of that period. The determination of unit-periods and fractional unit-periods shall be consistent with the definitions and rules in paragraphs (b) (3), (4) and (5) of this section and the general equation in paragraph (b)(8) of this section.

(3) In contrast, under the United States Rule method, at the end of each payment period, the unpaid balance of the amount financed is increased by the finance charge earned during that payment period and is decreased by the payment made at the end of that payment period. If the payment is less than the finance charge earned, the adjustment of the unpaid balance of the amount financed is postponed until the end of the next payment period. If at that time the sum of the two payments is still less than the total earned finance charge for the two payment periods, the adjustment of the unpaid balance of the amount financed is postponed still another payment period, and so forth.

(B) INSTRUCTIONS AND EQUATIONS FOR THE ACTUARIAL METHOD

(1) General Rule

The annual percentage rate shall be the nominal annual percentage rate determined