

Home Equity Conversion Mortgage Federal Truth-In-Lending Loan Closing Disclosure Statement

FHA Case Number: [REDACTED]

Loan Number: [REDACTED]

In this Disclosure, the words "you", "your", and "yours" mean the Borrower(s), and the words "we", "us" and "our" mean [REDACTED]

The Home Equity Conversion Mortgage ("HECM" or "Account") will be governed by two Notes (the "First Note" and the "Second Note," collectively, the "Notes"), a Loan Agreement, and two Mortgages or Deeds of Trust (the "First Security Instrument" and the "Second Security Instrument," collectively, the "Security Instruments"). You will be able to obtain loan advances under a set schedule and/or by requesting advances up to the available Principal Limit. Loan advances are not available to a Non-Borrowing Spouse or a Non-Borrowing Owner.

SECURITY INTEREST: You are giving us and the Commissioner of the Federal Housing Administration ("Commissioner") a security interest in the residential Property located at [REDACTED] (the "Property").

You could lose this Property if you do not meet the obligations in the Notes, Security Instruments and Loan Agreement.

POSSIBLE ACTIONS: Under certain conditions discussed below, we may take certain actions including terminating your Account and accelerating your outstanding balance, suspending your credit privileges, and implementing certain changes to the Notes, Security Instruments and Loan Agreement.

We can terminate your Account and/or immediately require payment of the entire outstanding balance in one payment if:

- All of the borrowers and any Eligible Non-Borrowing Spouse have died.
- All of the Borrowers have sold or conveyed title to the Property (other than a transfer of the Borrower's title into a trust that satisfies the requirements of the Commissioner or a transfer of title to the Property from such a trust to the Borrower) and no Borrower retains a leasehold under a permitted lease or retains a life estate interest in the Property.
- The Property is no longer the principal residence of at least one Borrower, or an Eligible Non-Borrowing Spouse does not continue to occupy the Property as his/her principal residence after the last surviving Borrower dies, other than allowable temporary absences.
- No Borrower maintains, or an Eligible Non-Borrowing Spouse during the Deferral Period fails to maintain, the Property as a principal residence for a period exceeding 12 months because of physical or mental illness.
- The Borrower, or the Eligible Non-Borrowing Spouse during the Deferral Period the Eligible Non-Borrowing Spouse fails to pay property charges consisting of real estate taxes, all required property insurance premiums, ground rents, condominium fees, planned unit development fees, homeowners' association fees and special assessments, and fails to cure the delinquency.
- The Property is in disrepair and the Borrower, or an Eligible Non-Borrowing Spouse during a

Deferral Period has refused or is unable to fix the Property.

- The Borrower, or an Eligible Non-Borrowing Spouse during a Deferral Period violates any other covenants of the Security Instruments and has refused or is unable to comply with the violated conditions of the Security Instruments.

We can refuse to make additional extensions of credit during any period in which the following are in effect:

- During the First 12-Month Disbursement Period if the Initial Disbursement Limit is met or exceeded.
- The outstanding balance equals the credit limit ("Principal Limit").
- We have notified you that we will require immediate payment of the entire outstanding balance due to the occurrence of one of the events of termination listed above.
- The initial repairs required to bring the Property up to the Minimum Property Standards required by the Commissioner are not completed by the time required in the Repair Rider to the Loan Agreement.
- We determine on the basis of title evidence that the Property securing the Account is encumbered by any liens that jeopardize the first lien status of the First Security Instrument or the second lien status of the Second Security Instrument, or if you refuse to execute any document approved by the Commissioner to extend the first and second lien status to an additional maximum principal balance or an additional number of years.
- A petition for bankruptcy by or against you is filed.
- You have paid the Notes in full.
- During a Deferral Period.

We can make certain changes to the terms of the Account. We may make changes to the Account if you agree to the change in writing at that time, if the change will unequivocally benefit you throughout the remainder of the Account, if the change is insignificant or if the change involves the substitution of the index and margin if the current index becomes unavailable (as described below).

ADDITIONAL KEY TERMS: The "First 12-Month Disbursement Period" is the period that begins on the loan closing date and ends on the day before the anniversary date of loan closing. The "Initial Disbursement Limit" is the maximum disbursement amount allowed at closing and during the First 12-Month Disbursement Period and is the greater of (1) sixty percent (60%) of the Principal Limit, or (2) the sum of Mandatory Obligations plus ten (10%) percent of the Principal Limit. "Mandatory Obligations" are fees and charges incurred in connection with the origination of the HECM that are paid at loan closing, including paying off an existing mortgage on your home. See your loan documents for additional information about the Initial Disbursement Limit, the First 12-Month Disbursement Period, and your responsibility for real estate property taxes and hazard insurance.

"Non-Borrowing Spouse" is the spouse of the Borrower, as determined by the law of the state in which the spouse of the Borrower and the Borrower reside or the state of celebration, at the time of closing and who is not a Borrower. "Eligible Non-Borrowing Spouse" is a Non-Borrowing Spouse who meets the requirements established by the Commissioner that a Non-Borrowing must satisfy in order to be eligible for the Deferral Period. "Deferral Period" is the period of time following the death of the last surviving Borrower during which the due and payable status of the HECM is deferred based on the continued satisfaction of the requirements for an Eligible Non-Borrowing Spouse, which include establishing a legal right to occupy the Property, occupying the Property as his or her principal residence, paying all required property charges, maintaining the Property and annually certifying that all requirements for the application of a Deferral Period continue to apply

MINIMUM PAYMENT REQUIREMENTS: Subject to the Initial Disbursement Limit, you can obtain advances of credit under one of several "payment plans" available under the HECM program. Subject to the Initial Disbursement Limit, the length of time during which you can obtain advances depends upon the payment plan that you select. As long as the Account is not due and payable under the conditions set forth above, subject to the Initial Disbursement Limit, you may obtain advances under the following payment plans:

(a) Tenure plan: Under this plan, subject to the Initial Disbursement Limit, you will receive equal monthly payments from us for as long as you occupy the Property as a principal residence.

(b) Term plan: Under this plan, subject to the Initial Disbursement Limit, you will receive equal monthly payments from us for a fixed period that you select.

(c) Line of Credit plan: Under this plan, subject to the Initial Disbursement Limit, you will receive advances in unscheduled payments or in installments, at times and in amounts that you choose until the line of credit is exhausted.

(d) Modified Term or Tenure plan: Under these plans, subject to the Initial Disbursement Limit, you may combine a line of credit with monthly payments. In exchange for reduced monthly payments, you will set aside a specified amount of money at closing for a line of credit, on which you can draw, subject to the Initial Disbursement Limit, until the line of credit is exhausted.

Subject to the Initial Disbursement Limit, the period during which you can obtain advances (the "Draw Period") is, therefore, indefinite under the Tenure and Line of Credit or Modified Term or Tenure plans. After the First 12-Month Disbursement Period, there are no limitations on the amount

of an advances you may obtain under the line of credit (as long as you remain within your credit limit (or Principal Limit). You can choose the length of the Draw Period under the Term plan. [If you have chosen a Term plan, you have elected a Draw Period of N/A years, N/A months]. Subject to the Initial Disbursement Limit, if certain conditions are met, including the payment by you to us of a fee in the amount of \$20.00, you can switch from one payment plan to another at any time during the life of your Account as long as outstanding balance is less than the Principal Limit. If you elect to change your payment plan, the length of your Draw Period may also change.

During the First 12-Month Disbursement Period, if the Lender advances any funds to you that exceed the Initial Disbursement Limit, you may be required to return such funds to Lender.

Repayment of your HECM will be due in one single payment; therefore, there will be no repayment period. Your payment will be due when: (a) a or all Borrowers die and the Property is not the principal residence of an Eligible Non-Borrowing Spouse, (b) a Borrower conveys all of his or her title to the Property (other than a transfer of the Borrower's title into a trust that satisfies the Commissioner's requirements or a transfer of title to the Property from such a trust to the Borrower) and no other Borrower retains title to the Property in fee simple or on a leasehold interest or a life estate, or (c) upon approval by the Commissioner, if: (i) the Property ceases to be the principal residence of a Borrower for reasons other than death and the Property is not the principal residence of at least one other Borrower, (ii) for a period longer than 12 consecutive months a Borrower fails to physically occupy the Property because of physical or mental illness and the Property is not the principal residence of at least one other Borrower, or (iii) an obligation of the Borrower under the Security Instruments is not performed.

Your minimum payment will be equal to the amount of (1) all advances you have obtained, (2) all advances that we have made to pay for repairs, escrows, monthly mortgage insurance premiums, servicing fees and other charges that you authorize us to pay or for which we are permitted to advance funds under the Notes, Security Instruments and Loan Agreement, (3) all interest that has accrued on the amount outstanding from time to time and (4) any other fees or charges that are due under your Notes, Security Instruments and Loan Agreement.

MINIMUM DRAW AND BALANCE REQUIREMENTS: Subject to the Initial Disbursement Limit, the amount of your advances and any limitations on those advances will depend upon the payment plan that you select. If you have selected a Tenure or Term plan or a Modified Term or Tenure plan, then the amount of your advances (payments to you) will be set at N/A and will be paid to you on a monthly basis. If you selected a Line of Credit plan or a Modified Term or Tenure plan (payment plans with monthly payments combined with a line of credit), subject to the Initial Disbursement Limit, there are no limitations on the amount of an advance or the number of advances you may obtain under the line of credit (as long as you remain within your credit limit for the line of credit feature). Subject to the Initial Disbursement Limit, you may change the type of payment plan throughout the life of the Account (including switching to a Line of Credit plan) if the outstanding balance is less than the Principal Limit. There are no minimum outstanding balance requirements under the Account.

FINANCE CHARGE: Each advance or payment made to you or on your behalf under your HECM will be subject to a monthly Finance Charge beginning on the day after each advance or payment is made. A Finance Charge will continue to be assessed on your HECM until the entire outstanding balance and all fees due under the Notes, Security Instruments and Loan Agreement are paid, which include a Deferral Period.

The interest portion of the Finance Charge on your Account is computed by calculating the Finance Charge on the balance existing at the beginning of each month, calculating the Finance Charge on each advance or payment made to you or on your behalf during the month, and then adding all of these sums together. We start with the outstanding principal balance on your Account at the beginning of each month, which includes Finance Charges from the prior month (the "Outstanding Principal Balance"). At the end of each month, we multiply the Outstanding Principal Balance by the

then-current Annual Percentage Rate and then divide the result of this calculation by 12 (the "Monthly Periodic Rate"). At the end of each month in which any advances or payments have been made to you or on your behalf, we multiply the amount of the advance or payment by the number of days remaining in the month after that advance or payment was made (not including the day the advance was made) and then multiply this amount by the then-current Annual Percentage Rate and divide the result of this calculation by 365 (the "Daily Periodic Rate"). This calculation is repeated for each advance or payment made to you or on your behalf during the month. The sum of the final result of these calculations equals the interest portion of your Finance Charge for the month. Advances made to pay fees or Finance Charges due under the Account will also accrue Finance Charges as described above.

In addition, mortgage insurance premiums ("MIP"), which are a Finance Charge, are computed by calculating the MIP on the Outstanding Principal Balance, calculating the MIP on each advance or payment made to you or on your behalf during the month, and then adding all of these sums together. At the end of each month, we multiply the Outstanding Principal Balance by 0.50% and then divide the result of this calculation by 12 (the "MIP Monthly Periodic Rate"). At the end of each month in which any advances or payments have been made to you or on your behalf, we multiply the amount of the advance or payment by the number of days remaining in the month after that advance or payment was made, (not including the day the advance was made) and then multiply this amount by 0.50% and divide the result of this calculation by 365 (the "MIP Daily Periodic Rate"). This calculation is repeated for each advance or payment made to you or on your behalf during the month. The sum of the final result of these calculations equals the mortgage insurance portion of your Finance Charge for the month. The MIP Monthly Periodic Rate applicable to your Account to calculate the MIP on the Outstanding Principal Balance is 0.041667%. The MIP Daily Periodic Rate applicable to your Account to calculate the MIP on each advance or payment made to you or on your behalf during the month is 0.001370%. The corresponding Annual Percentage Rate to these MIP Periodic Rates is 0.50%.

Another Finance Charge in an amount not to exceed that determined by the Commissioner will be imposed each time you elect to change your payment plan. You must also pay at settlement an Origination Fee and an Initial MIP, which are both Finance Charges. These fees must be paid in the amounts disclosed in the "Finance Charge" paragraph of the "Fees and Charges" section below.

(The following paragraph is applicable only if the box at left is checked)

Because repairs that are necessary to bring the Property up to the Commissioner's Minimum Property Standards will be completed after closing and because advances from the Account will be used to pay for these repairs, a Repair Administration Fee, not to exceed the greater of one and one-half percent of the amount advanced for the repairs or fifty dollars (\$50), which is a Finance Charge, will be imposed when advances are made to pay for those repairs, or if permitted by the Commissioner, at settlement.

RATE CHANGES: The calculation of rate changes will depend on whether you select an annually adjustable or monthly adjustable variable rate Account. The paragraph next to the checked box applies to your Account.

The Annual Percentage Rate for the interest portion of the Finance Charge may increase or decrease annually based upon changes in the average of interbank offered rates for one-year U.S. dollar-denominated deposits in the London market ("LIBOR"), as published in The Wall Street Journal, rounded to three digits to the right of the decimal point ("Index"). However, your first rate change can occur between twelve and eighteen months after the date of closing. Rate changes can occur every twelve months thereafter. To determine the Annual Percentage Rate that will apply to the Account, we add a margin to the value of the Index, subject to certain rate limitations. However, the Annual Percentage Rate cannot change by more than 2 percentage points at each rate change or by more than 5 percentage points over the life of the Account. Increases in the Annual Percentage Rate will result in larger advances made to pay the increased accrued interest portion of the Finance Charge and a larger Outstanding Principal Balance.

The Annual Percentage Rate for the interest portion of the Finance Charge may increase or decrease monthly based upon changes in the average of interbank offered rates for one-year U.S. dollar-denominated deposits in the London market ("LIBOR"), as published in The Wall Street Journal, rounded to three digits to the right of the decimal point ("Index"). However, your first rate change will occur on the first day of the second full month. Rate changes can occur every month thereafter. To determine the Annual Percentage Rate that will apply to the Account, we add a margin to the value of the Index, subject to certain rate limitations. There are no limitations on the amount of the rate change each month; however, the Annual Percentage Rate cannot increase by more than 5 percentage points over the life of the Account. Increases in the Annual Percentage Rate will result in larger advances made to pay the increased accrued interest portion of the Finance Charge and a larger Outstanding Principal Balance.

In the event the Index is no longer available, we will choose a new index and margin. The new index will have an historical movement substantially similar to the original index and the new index and margin will result in an Annual Percentage Rate that is substantially similar to the rate in effect at the time the original index becomes available.

The initial Monthly Periodic Rate applicable to your Account to calculate the interest portion of the Finance Charge on the Outstanding Principal Balance is **0.4814167%**. The initial Daily Periodic Rate applicable to your Account to calculate the interest portion of the Finance Charge on each advance or payment made to you or on your behalf during the month is **0.01583%**. The corresponding Annual Percentage Rate to these periodic rates (relating to the interest portion of the Finance Charge) is **5.777%**. The Margin, which is added to the value of the Index, will be **3.000%**. The Annual Percentage Rate includes only interest and not other costs.

MAXIMUM RATE: The maximum Annual Percentage Rate (relating to the interest portion of the Finance Charge) that can apply to your Account is **10.777%**.

NEGATIVE AMORTIZATION: Under the HECM, you are not required to make any payments until one of the conditions of termination described above occurs. Therefore, the Principal, Finance Charges, and certain other charges that accrue under the HECM are not paid as they accrue and "negative amortization" will occur. Negative amortization, under which the accrued Principal, Finance Charges, and certain other charges are added to the balance, will increase the amount required to pay-off the HECM and reduce the equity in the Property.

TAX DEDUCTIBILITY: You should consult a tax advisor regarding the deductibility of interest and charges for the Account.

FEES AND CHARGES: You must pay certain charges in connection with this Account as follows:

(a) Finance Charges: You must pay the following Finance Charges in connection with the opening of your Account at settlement:

| | |
|-------------------------------|----------|
| | \$0.00 |
| 1004D | \$340.00 |
| Document preparation | \$195.00 |
| Flood certification | \$14.00 |
| HECM counseling fee | \$125.00 |
| Lender Credit | \$0.00 |
| MERS registration | \$11.95 |
| Mortgage Insurance Premium | \$915.50 |
| Origination Fee | \$0.00 |
| Property Tax Verification Fee | \$0.00 |
| Settlement or closing fee | \$575.00 |

Total 2,176.45

(b) Settlement Costs: You must pay the following charges in connection with the opening of your Account at settlement:

| | | |
|-----------------------------|-----------------|-------------|
| CPL | \$50.00 | |
| Appraisal fee | \$625.00 | |
| Credit report | \$26.90 | |
| Residential Mortgage Fee | \$10.00 | |
| Homeowner's insurance | \$2,787.20 | |
| Initial Disclosure Fee | \$250.00 | |
| Intangible Tax | \$2,034.00 | |
| Lender Credit | \$0.00 | |
| Lender's title insurance | \$1,207.60 | |
| Lender's title policy limit | \$0.00 | |
| Owner's title insurance | \$0.00 | |
| Recording charges mortgage | \$78.00 | |
| State tax/stamps mortgage | \$0.00 | |
| Title Exam Fee | \$100.00 | |
| Total | 7,168.70 | 0.00 |

(c) Miscellaneous Charges: You agree to pay and have charged to your Account an additional Finance Charge of \$0.00 per month for the servicing of your Account.

PROPERTY INSURANCE: Property hazard insurance is required. The borrower may obtain such insurance from any source he or she wants that is acceptable to us.

YOUR BILLING RIGHTS

KEEP THIS NOTICE FOR FUTURE USE

This notice contains important information about your rights and our responsibilities under the Fair Credit Billing Act.

Notify Us in Case of Errors or Questions About Your Statement

If you think your statement is wrong, or if you need more information about a transaction on your statement, write us [on a separate sheet] at:



Attention: . Write to us as soon as possible. We must hear from you no later than 60 days after we sent you the first statement on which the error or problem appeared. You can telephone us, but doing so will not preserve your rights.

In your letter, give us the following information:

- Your name and Account number.
- The dollar amount of the suspected error.
- Describe the error and explain, if you can, why you believe there is an error. If you need more information, describe the item you are not sure about.

Your Rights and Our Responsibilities After We Receive Your Written Notice

We must acknowledge your letter within 30 days, unless we have corrected the error by then. Within 90 days, we must either correct the error or explain why we believe the statement was correct.

After we receive your letter, we cannot try to collect any amount you question, or report you as delinquent. We can continue to bill you for the amount you question, including Finance Charges, and we can apply any unpaid amount against your credit limit. You do not have to pay any questioned amount while we are investigating, but you are still obligated to pay the parts of your statement that are not in question.

If we find that we made a mistake on your statement, you will not have to pay any Finance Charges related to any questioned amount. If we didn't make a mistake, you may have to pay Finance Charges, and you will have to make any missed payments on the questioned amount. In either case, we will send you a statement of the amount you owe and the date that it is due.

If you fail to pay the amount that we think you owe, we may report you as delinquent. However, if our explanation does not satisfy you and you write to us within ten days telling us that you still refuse to pay, we must tell anyone we report you to that you have a question about your statement. And, we must tell you the name of anyone we reported you to. We must tell anyone we report you to that the matter has been settled between us when it finally is.

If we don't follow these rules, we can't collect the first \$50 of the questioned amount, even if your statement was correct.

Although all of your billing error rights apply, because of the way the Account is structured, some of the requirements discussed above (e.g. regarding payments to us) may not be relevant to your Home Equity Conversion Mortgage (HECM) loan.

I/We hereby acknowledge receipt of the Home Equity Conversion Mortgage Federal Truth-in-Lending Loan Closing Disclosure Statement and agree to its terms.



Date



A. Settlement Statement (HUD-1)

| B. Type of Loan | | | | | | |
|---|--|--|----------------------|------------------------------|------------------------------------|--|
| 1. <input checked="" type="checkbox"/> FHA | 2. <input type="checkbox"/> RHB | 3. <input type="checkbox"/> Conv. Unlns. | 6. File Number: | 7. Loan Number: | 8. Mortgage Insurance Case Number: | |
| 4. <input type="checkbox"/> VA | 5. <input type="checkbox"/> Conv. Ins. | | | | | |
| C. Note: This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "(p.o.c.)" were paid outside the closing; they are shown here for informational purposes and are not included in the totals. | | | | | | |
| D. Name & Address of Borrower: | | E. Name & Address of Seller | | F. Name & Address of Lender: | | |
| | | Mortgage Coverage: \$678,000.00 | | | | |
| G. Property Location: | | | H. Settlement Agent: | | Settlement Date: | |
| | | | | | 6/26/2018 | |
| | | | Place of Settlement: | | Funding Date: | |
| | | | | | 7/2/2018 | |

| J. Summary of Borrower's Transaction | |
|---|--------------|
| 100. Gross Amount Due From Borrower | |
| 101. Contract sales price | |
| 102. Personal property | |
| 103. Settlement charges to borrower (line 1400) | \$9,345.15 |
| 104. Payoff to: [REDACTED] | \$255,396.77 |
| 106. | |
| Adjustments for items paid by seller in advance | |
| 106. City/town taxes to | |
| 107. County taxes to | |
| 108. Assessments to | |
| 109. | |
| 110. | |
| 111. | |
| 112. | |
| 120. Gross Amount Due From Borrower | \$264,741.92 |
| 200. Amounts Paid By Or in Behalf Of Borrower | |
| 201. Deposit or earnest money | |
| 202. Principal amount of new loan(s) \$288,376.00 | |
| 203. Existing loan(s) taken subject to | |
| 204. Cash portion of initial draw | \$28,837.60 |
| 205. Financed Closing Costs | \$3,725.19 |
| 206. Lender Credit | \$5,620.00 |
| 207. | |
| 208. | |
| 209. | |
| Adjustments for items unpaid by seller | |
| 210. City/town taxes to | |
| 211. County taxes to | |
| 212. Assessments to | |
| 213. | |
| 214. Payoff to: [REDACTED] | \$255,396.77 |
| 215. | |
| 216. | |
| 217. | |
| 218. | |
| 219. | |
| 220. Total Paid By/For Borrower | \$293,679.52 |
| 300. Cash At Settlement From/To Borrower | |
| 301. Gross amount due from borrower (line 120) | \$264,741.92 |
| 302. Less amounts paid by/for borrower (line 220) | \$293,679.52 |
| 303. Cash <input type="checkbox"/> From <input checked="" type="checkbox"/> To Borrower | \$28,837.60 |

| K. Summary of Seller's Transaction | |
|--|--|
| 400. Gross Amount Due To Seller | |
| 401. Contract sales price | |
| 402. Personal property | |
| 403. | |
| 404. | |
| 405. | |
| Adjustments for items paid by seller in advance | |
| 406. City/town taxes to | |
| 407. County taxes to | |
| 408. Assessments to | |
| 409. | |
| 410. | |
| 411. | |
| 412. | |
| 420. Gross Amount Due To Seller | |
| 500. Reductions in Amount Due To Seller | |
| 501. Excess deposit (see instructions) | |
| 502. Settlement charges to seller (line 1400) | |
| 503. Existing loan(s) taken subject to | |
| 504. Payoff of first mortgage loan | |
| 505. Payoff of second mortgage loan | |
| 506. | |
| 507. | |
| 508. | |
| 509. | |
| Adjustments for items unpaid by seller | |
| 510. City/town taxes to | |
| 511. County taxes to | |
| 512. Assessments to | |
| 513. | |
| 514. | |
| 515. | |
| 516. | |
| 517. | |
| 518. | |
| 519. | |
| 520. Total Reduction Amount Due Seller | |
| 600. Cash At Settlement To/From Seller | |
| 601. Gross amount due to seller (line 420) | |
| 602. Less reductions in amount due seller (line 520) | |
| 603. Cash <input type="checkbox"/> To <input type="checkbox"/> From Seller | |

The Public Reporting Burden for this collection of information is estimated to average 36 minutes per response for collecting, reviewing, and reporting the data. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number. No confidentiality is assured; this disclosure is mandatory. This is designed to provide the parties to a RESPA covered transaction with information during the settlement process.



| L. Settlement Charges | | | | Paid From Borrower's Funds at Settlement | Paid From Seller's Funds at Settlement |
|---|-------------|---------------|---------------|---|---|
| 700. Total Real Estate Broker Fees | | | | | |
| Division of Commission (line 700) as follows: | | | | | |
| 701. \$ | to | | | | |
| 702. \$ | to | | | | |
| 703. Commission paid at settlement | | | | | |
| 704. | | | | | |
| 800. Items Payable In Connection With Loan | | | | | |
| 801. Our origination charge (includes HECM origination fee of \$0.00) | \$206.95 | | (from GFE #1) | | |
| 802. Your credit or charge (points) for the specific interest rate chosen | \$0.00 | | (from GFE #2) | | |
| 803. Your adjusted origination charges | | | | \$206.95 | \$0.00 |
| 804. Appraisal fee | | | (from GFE #3) | \$625.00 | \$0.00 |
| 805. Credit report | | | (from GFE #3) | \$26.90 | \$0.00 |
| 806. | | | | | |
| 807. Flood certification | | | (from GFE #3) | \$14.00 | \$0.00 |
| 808. Document preparation | \$195.00 | | | | |
| 809. | | | | | |
| 810. | | | | | |
| 811. | | | | | |
| 812. | | | | | |
| 813. | | | | | |
| 814. | | | | | |
| 815. Property Tax Verification Fee | | | | | |
| 816. 1004D | | | | \$340.00 | \$0.00 |
| 900. Items Required By Lender To Be Paid In Advance | | | | | |
| 901. Daily interest charges from | to | @ \$ | /day | (from GFE #10) | |
| 902. Mortgage Insurance Premium | | | FHA/HUD | (from GFE #9) | \$915.50 |
| 903. Homeowner's Insurance | to | | | (from GFE #11) | \$2,797.20 |
| 904. | | | | | \$0.00 |
| 905. | | | | | |
| 906. | | | | | |
| 1000. Reserves Deposited with Lender | | | | | |
| 1001. Initial deposit for your escrow account | | | | (from GFE #6) | |
| 1002. Homeowner's insurance | months @ \$ | | per month \$ | | |
| 1003. Mortgage insurance | months @ \$ | | per month \$ | | |
| 1004. Property taxes | months @ \$ | | per month \$ | | |
| 1005. | months @ \$ | | per month \$ | | |
| 1006. | months @ \$ | | per month \$ | | |
| 1007. Aggregate Adjustment | | | | | -\$ |
| 1100. Title Charges | | | | | |
| 1101. Title services and lender's title insurance | | | | (from GFE #4) | \$2,182.80 |
| 1102. Settlement or closing fee | | \$676.00 | | | |
| 1103. Owner's title insurance | | | | (from GFE #6) | |
| 1104. Lender's title insurance | | \$1,207.60 | | | |
| 1105. Lender's title policy limit | | \$482,000.00 | | | |
| 1106. Owner's title policy limit | | | | | |
| 1107. Agent's portion of the total title insurance premium | | | | | |
| 1108. Underwriter's portion of the total title insurance premium | | | | | |
| 1109. | | | | | |
| 1110. Title Exam Fee | | MOBILE NOTARY | \$100.00 | | |
| 1111. Initial Disclosure Fee | | | \$250.00 | | |
| 1112. CPL | | | \$50.00 | | |
| 1200. Government Recording and Transfer Charges | | | | | |
| 1201. Government recording charges | | | | (from GFE #7) | \$78.00 |
| 1202. Deed | Mortgage | \$78.00 | Releases | | \$0.00 |
| 1203. Transfer taxes | | | | (from GFE #8) | \$2,044.00 |
| 1204. City/County tax/stamps | Deed | | Mortgage | | \$0.00 |
| 1205. State tax/stamps | Deed | | Mortgage | | |
| 1206. Intangible Tax | | | \$2,034.00 | | |
| 1207. Residential Mortgage Fee | | \$10.00 | | | |
| 1208. | | | | | |
| 1209. | | | | | |
| 1210. | | | | | |
| 1211. | | | | | |



| 1300. Additional Settlement Charges | | | |
|---|---------------|------------|--------|
| 1301. Required services that you can shop for | (from GFE #6) | \$125.00 | \$0.00 |
| 1302. | | | |
| 1303. HECM counseling fee | | \$125.00 | |
| 1304. | | | |
| 1305. | | | |
| 1306. | | | |
| 1400. Total Settlement Charges (enter on lines 103, Section J and 502, Section K) | | \$9,345.15 | |



| Comparison of Good Faith Estimate (GFE) and HUD-1 Charges | |
|--|-------------------|
| Charges That Cannot Increase | HUD-1 Line Number |
| Your origination charge | # 801 |
| Your credit or charge (points) for the specific interest rate chosen | # 802 |
| Your adjusted origination charges | # 803 |
| Transfer taxes | #1203 |

| Good Faith Estimate | HUD-1 |
|---------------------|------------|
| \$206.95 | \$206.96 |
| \$0.00 | \$0.00 |
| \$206.95 | \$206.96 |
| \$2,044.00 | \$2,044.00 |

| Charges That In Total Cannot Increase More Than 10% | |
|---|--------|
| Government recording charges | #1201 |
| Appraisal fee | # 804 |
| Credit report | # 905 |
| Flood certification | # 807 |
| Property Tax Verification Fee | # 815 |
| 1004D | # 816 |
| Mortgage Insurance Premium | # 902 |
| Title services and lender's title insurance | # 1101 |
| Lender Credit | # 206 |
| Total | |
| Increase between GFE and HUD-1 Charges | |

| Good Faith Estimate | HUD-1 |
|---------------------|--------------|
| \$116.00 | \$78.00 |
| \$626.00 | \$626.00 |
| \$10.00 | \$26.00 |
| \$14.00 | \$14.00 |
| \$60.00 | \$0.00 |
| \$0.00 | \$340.00 |
| \$915.50 | \$915.50 |
| \$2,192.00 | \$2,182.00 |
| \$0.00 | \$- 5,620.00 |
| \$3,870.50 | \$- 1,438.00 |
| \$- 5,308.50 | \$- 197.15 % |

| Charges That Can Change | |
|-------------------------|-------|
| Homeowner's Insurance | # 808 |
| HECM counseling fee | #1903 |

| Good Faith Estimate | HUD-1 |
|---------------------|------------|
| \$0.00 | \$2,787.20 |
| \$125.00 | \$125.00 |

Loan Terms

| | |
|---|---|
| Your initial loan amount is | \$ <u>285,376.00</u> |
| Your loan term is | <input type="checkbox"/> N/A years |
| Your initial interest rate is | <u>5.777</u> % |
| Your initial monthly amount owed for principal, interest, and any mortgage insurance is | \$ <u>N/A</u> Includes <input type="checkbox"/> Principal <input type="checkbox"/> Interest <input type="checkbox"/> Mortgage Insurance |
| Can your interest rate rise? | <input type="checkbox"/> No, <input checked="" type="checkbox"/> Yes, it can rise to a maximum of <u>10.777</u> %. The first change will be on <u>7/1/2019</u> and can change again every <u>year</u> after <u>7/1/2019</u> . Every change date, your interest rate can increase or decrease by <u>2.000</u> %. Over the life of the loan, your interest rate is guaranteed to never be lower than <u>3.000</u> % or higher than <u>10.777</u> %. |
| Even if you make payments on time, can your loan balance rise? | <input type="checkbox"/> No, <input checked="" type="checkbox"/> Yes, it can rise to a maximum of \$ <u>unknown</u> . |
| Even if you make payments on time, can your monthly amount owed for principal, interest, and mortgage insurance rise? | <input checked="" type="checkbox"/> No, <input type="checkbox"/> Yes, the first increase can be on <u> </u> and the monthly amount owed can rise to \$ <u> </u> . The maximum it can ever rise to is \$ <u> </u> . |
| Does your loan have a prepayment penalty? | <input checked="" type="checkbox"/> No, <input type="checkbox"/> Yes, your maximum prepayment penalty is \$ <u> </u> . |
| Does your loan have a balloon payment? | <input checked="" type="checkbox"/> No, <input type="checkbox"/> Yes, you have a balloon payment of \$ <u>N/A</u> due in <u>N/A</u> years on <u>N/A</u> . |
| Total monthly amount owed including escrow account payments | <input checked="" type="checkbox"/> You do not have a monthly escrow payment for items, such as property taxes and homeowner's insurance. You must pay these items directly yourself. <input type="checkbox"/> You have an additional monthly escrow payment of \$ <u> </u> that results in a total initial monthly amount owed of \$ <u> </u> . This includes <input type="checkbox"/> Property taxes <input type="checkbox"/> Homeowner's insurance <input type="checkbox"/> Flood insurance <input type="checkbox"/> <u> </u> <input type="checkbox"/> <u> </u> <input type="checkbox"/> <u> </u> |

Note: If you have any questions about the Settlement Charges and Loan Terms listed on this form, please contact your lender.