

APPENDIX 4

The first monthly installment based on the above figure will be due November 1, 1973, and the final payment to principal and interest will be due March 1, 2003 (Original Maturity Date plus 10 years).

New Monthly Payment Based on New Maturity Date and "New Original Principal Balance"

To amortize \$13,070.75, the number of monthly payments in the new term must first be computed. To the original term of 360 months is added 120 months (the extension period of 10 years) for a total of 480 months. From the total of 480 months, subtract 121 months (the total number of payments due prior to 11-1-73) for a remaining term of 359 months or 29 years and 11 months.

The new payment to principal and interest is reached by multiplying the new balance by the monthly installment per \$1,000 for 29 years and 11 months ($\$13,070.75 \times \$5.53 / \$1,000 = \72.30). The monthly installment per \$1,000 may be found under "Amortization Tables" in FHA Form 2025. The new monthly installment will be:

Principal and Interest	\$72.30
MIP	5.26 (Based on Original Amortization Schedule)
Taxes	14.58
Insurance	5.83
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	\$97.97