

U.S. Department of Housing and Urban Development (HUD)

HOME EQUITY CONVERSION MORTGAGE (HECM)

EXHIBIT 2 - SCHEDULE OF CLOSING COSTS¹

I. Complete the Closing Costs/Mandatory Obligations Table below:

Description	Amount	Financed by HECM? Yes or No	Paid by Interested Party Contributions? Yes or No <i>(Applicable to Purchase Only)</i>
<i>Example: Appraisal</i>	\$500.00	No	Yes
1.			
2.			
3.			
4.			
5.			

II. Reductions to Closing Costs/Mandatory Obligations:

- 1. Mandatory Obligations – Cash from Borrower \$ _____
- 2. Mandatory Obligations – Cash from Lender \$ _____
- 3. Interested Party Contributions \$ _____

EXHIBIT 2 – SCHEDULE OF LIENS/HECM FOR PURCHASE DISBURSEMENTS TO SELLER

III. Liens to be Satisfied at Closing and Amount:

- 1.
- 2.
- 3.

Borrower Acknowledgement:

By signing below, the Borrower(s) agrees that this document accurately describes the principal features of the current payment plan they selected.

Borrower Signature: _____

Date: _____

¹ Published 04/26/2024. Effective for case numbers assigned on or after 04/29/2024.

Lender Certification:

I/We, the undersigned, certify under penalty of perjury that the information provided above is true, correct, and accurate.

Name of Lender's Representative: _____

Title of Lender's Representative: _____

Signature of the Lender's Representative: _____

Date: _____

WARNING: Anyone who knowingly submits a false claim or makes a false statement is subject to criminal and/or civil penalties, including confinement for up to 5 years, fines, and civil and administrative penalties. (18 U.S.C. §§ 287, 1001, 1010, 1012, 1014; 31 U.S.C. §§ 3729, 3802).

Schedule of Closing Costs Instructions

Section I. Closing Cost/Mandatory Obligations Table. Applicable to all HECM transactions. The Mortgagee must a) list each Closing Cost item, b) the amount charged to the Borrower, c) answer yes or no, whether the closing cost item will be financed by the HECM, d) answer yes or no, whether the Closing Cost item will be paid using an Interested Party Contribution.

Section II. Reductions to Closing Costs/Mandatory Obligations. [Text was deleted from this item]

1. Mandatory Obligations – Cash from Borrower. Required when Principal Limit is exceeded. List each fee or charge and the amount that will be paid by the Borrower and not financed by the HECM.
2. Mandatory Obligations – Cash from Lender. Optional for all HECM transactions. List each fee or charge and the amount that will be paid by the Lender and not financed by the HECM.
3. Interested Party Contributions. Provide the total amount of the Interested Party Contribution that will be used to reduce the Borrower’s Closing Costs/Mandatory Obligations. Applicable to HECM for Purchase transactions. Not applicable to Traditional or Refinance HECM transactions.

Schedule of Liens/HECM for Purchase Disbursements to Seller Instructions

Section III. Liens to be Satisfied at Closing and Amount. The Mortgagee must list each lien holder and the amount of the lien that will be paid off at closing using HECM proceeds. Applicable to Traditional, Refinance, and HECM for Purchase transactions.