

## Annual Payment Supplement Disclosure

Date: \_\_\_\_\_  
 FHA Case #: \_\_\_\_\_  
 Loan #: \_\_\_\_\_  
 Borrower(s): \_\_\_\_\_  
 Property Address: \_\_\_\_\_  
 \_\_\_\_\_

On (Day/Month/Year), you signed a Payment Supplement Agreement and corresponding note and subordinate lien, which brought your Federal Housing Administration (FHA)-insured mortgage current and is providing you with a temporary monthly mortgage payment reduction of (\$ MoPR) through (Month/Year). This notice provides important reminders about your ongoing Payment Supplement, including an accounting of the Payment Supplement Account.

**Your Payment Supplement provides a temporary reduction in the amount you are required to pay towards your mortgage each month. At the end of your Payment Supplement Period, you must resume making your full monthly mortgage payment.**

Currently, your full monthly mortgage payment is (\$ Principal, Interest, Taxes, and Insurance). Of this amount, (\$ MoPR) is covered by the Payment Supplement, meaning that you are required to pay only (\$ Principal, Interest, Taxes, and Insurance - \$ MoPR) each month. The full amount of your monthly mortgage payment includes escrow amounts, such as property taxes, insurance, or other assessments, as applicable. If your escrow amount changes, your monthly mortgage payment during the Payment Supplement Period may also change.

### Payment Supplement Funds Applied as of (Date)

	Date(s)	Amount
Total Payment Supplement note amount (includes the amounts used to bring your mortgage current and provide monthly principal reductions)		\$ (Total note amount)
Amount used to bring your mortgage current	(Month/Year the Payment Supplement amount was applied to bring your mortgage current)	\$ (Amount used to bring your mortgage current)
Amount used to provide monthly principal reductions as of (Date)	(Month/Year of the first Payment Supplement payment reduction to the Month/Year of the most recent Payment Supplement payment reduction)	\$ (Total amount applied for this time period)

Amount of funds available to provide monthly principal reductions for the remainder of your Payment Supplement Period		\$ (Amount of funds available for payment reduction)
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## Important Reminders About Your Payment Supplement

The Payment Supplement is a zero-interest subordinate lien against your property. It does not require repayment until your mortgage is paid in full, the property is sold, the mortgage is assumed, the title to the property is transferred, or under certain types of refinance, whichever occurs first. However, you may pay the outstanding Payment Supplement balance early without penalty.

You will continue to receive a Payment Supplement through (Month/Year) as long as you meet program requirements, including paying your portion of the mortgage payment each month. If you stop paying or fail to meet other requirements, the Payment Supplement funds will be paused, may stop until the failure is cured, or may be terminated.

At the end of your Payment Supplement Period, you must resume making your full monthly mortgage payment. As the end of the Payment Supplement Period approaches, you will be provided with an updated mortgage statement before you are required to resume making the full monthly mortgage payment.

## Ability to Voluntarily Terminate Your Payment Supplement

If you are able to resume your full monthly mortgage payment and no longer need the payment reduction, you may contact (Servicer's Contact Information) and request to end the Payment Supplement and resume regular payments. This will end the monthly principal reduction. You will owe any amount already applied to your mortgage under the Payment Supplement Agreement. Any amount that remains in the Payment Supplement Account will be returned to FHA to reduce the total amount you owe under the Payment Supplement note.

For questions regarding this notice, please contact (Servicer's Contact Information).