

EXHIBIT 1
HOME EQUITY CONVERSION ADJUSTABLE RATE MORTGAGE
PAYMENT PLAN

Date of Payment Plan: _____

FHA Case Number: _____

Name of Lender: _____

Name of Borrower(s) and Eligible Non-Borrowing Spouse(s)	Birthdate(s)
_____	___/___/___
_____	___/___/___
_____	___/___/___

First 12-Month Disbursement Period Expiration Date: _____

Expected Average Mortgage Interest Rate: _____%

Was the Expected Average Mortgage Interest Rate locked? ___ Yes ___ No

Date used to determine the Index to calculate
Expected Average Mortgage Interest Rate: _____

Provide the Initial Mortgage Interest (Accrual) Rate: _____

Provide the Margin: _____

Borrower's Designation (only one may be checked):

___ 60% of Principal Limit; or

___ Mandatory Obligations, plus 10% of the Principal Limit

Initial Mortgage Proceeds Available at Closing:

- 1. Principal Limit \$ _____
 - 10% of PL \$ _____
 - 50% of PL \$ _____
 - 60% of PL \$ _____

 - 2. Additional 10% of Principal Limit Usage: \$ _____

 - 3. Initial Disbursement Limit \$ _____
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Deductions:

- 4. Initial MIP \$ _____

- 5. Other Closing Costs \$ _____

- 6. Discharge of Liens \$ _____

- 7. Contract Sales Price \$ _____

- 8. Repair Set Aside \$ _____

- 9. First Year Property Charge Set Aside Disbursements \$ _____

- 10. First Year Life Expectancy Set- Aside Disbursements \$ _____

- 11. Mandatory Obligations Total (Lines 4+5+6+7+8+9+10) \$ _____

- 12. Servicing Fee Set Aside \$ _____

- 13. Net Life Expectancy Set-Aside or Amount withheld under Voluntary Election §206.205 \$ _____
Check One:
 - Required Fully-Funded Required Partially-Funded
 - Voluntary Fully-Funded Voluntary Election §206.205
 - None

- 14. Initial Loan Advance to Borrower \$ _____

15. Cash from Borrower (\$_____)

16. Cash from Lender (\$_____)

17. Total Deductions [(Lines 11+12+13+14) – (Lines 15 +16)] \$_____

Post Closing First Year Funds:

18. Net Initial Disbursement Limit \$_____
[Lines 3 - 11- 14+15+16]

Estimated Funds Upon Expiration of First 12-Month Disbursement Period:

19. Net Principal Limit (Lines 1 - 3 - 12 - 13) \$_____

Designation of Funds:

20. Amount available for Line of Credit \$_____

21. Outstanding Balance \$_____

22. Amount available for Monthly Payments \$_____

Scheduled Payments (only one – term or tenure):

23. ___ Term (Remaining) ___ Yrs. ___ Mos.

24. ___ Tenure

25. Monthly Payment (Total) \$_____

26. Monthly Withholding (T & I) \$_____

27. Net Monthly Payment (Lines 25 – 26) \$_____

(For graduated monthly payments from a line of credit, see attached schedule.)

Published 2/12/15. Please review Mortgagee Letters 2014-21 and 2015-02 for the effective dates of the new language in these model documents.

By signing below, the Borrower(s) agree(s) that this document accurately describes the principal features of the current payment plan chosen by the Borrower(s).

Signature

Date

Signature

Date

INSTRUCTIONS FOR COMPLETING THE BORROWER'S PAYMENT PLAN

This form is to be completed at closing and whenever the borrower chooses a different payment option or has the payment plan re-calculated. This form, when completed at loan closing (closing), must be attached to the Loan Agreement.

Line 1. The borrower's current Principal Limit, calculated in accordance with FHA regulations and requirements, is entered on this line regardless of when the form is completed at closing or after closing.

Line 2. Enter the Additional 10% of Principal Limit Usage amount, calculated in accordance with FHA regulations and requirements, that the borrower chooses to receive during the First 12-Month Disbursement Period when Mandatory Obligations exceed 50% of the Principal Limit. This line is not applicable after the First 12-Month Disbursement Period ends and "N/A" may be entered on this line.

Line 3. The Initial Disbursement Limit, calculated in accordance with FHA regulations and requirements, is entered on this line only when this form is completed at closing. After closing, "N/A" may be entered on this line.

Line 4. The Initial MIP, is calculated in accordance with FHA regulations and requirements, is entered on this line only when this form is completed at closing.

Line 5. Enter the amount of Other Closing Costs financed into the mortgage that are not already listed, including delinquent Federal debts. After closing, "N/A" may be entered on this line as this line is not applicable after closing.

Line 6. The amount of any existing liens on the property, that meets FHA seasoning regulations and requirements, that will be paid-in-full at closing should be entered on this line. For HECM-to-HECM refinance transactions, existing HECM debt should be included on this line. Liens on the property that will be subordinated should not be entered on this line. After closing, "N/A" may be entered on this line as this line is not applicable after closing.

Line 7. Enter the amount of the contract sales price for purchase transactions. After closing, "N/A" may be entered as this line is not applicable after closing.

Line 8. The amount of funds necessary to pay for required repairs completed after closing should be entered on this line. The amount can be found on the Repair Rider to the Loan Agreement completed at closing. After closing, the line should have any funds remaining for required repairs that have not been completed.

Line 9. The amount of any funds necessary to pay for property charges to be assessed during the first year of the mortgage when borrower elects to have the lender pay such charges, that cannot be collected after the mortgage has closed, should be entered on this line.

Line 10. The amount of funds, calculated in accordance with FHA regulations and requirements, to be disbursed during the first year of the mortgage from the Life Expectancy Set Aside for the payment of real estate taxes and/or hazard and flood insurance premiums.

Line 11. The result of adding Lines 4 through 10 is entered on this line.

Line 12. The amount necessary to pay for servicing costs for the life of the mortgage should be entered on this line. This amount is set aside from the principal limit at closing and a fee is disbursed from these funds monthly to cover servicing costs. "N/A" may be entered when the servicing fee is included in the borrower's mortgage interest rate. After closing, the line should have any funds for servicing costs that will be paid for the remainder of the life of the mortgage.

Line 13. The result of subtracting Line 10 from the full amount of Life Expectancy Set Aside funds or Line 9 from the full amount withheld under Voluntary Election §206.205, calculated in accordance with FHA regulations and requirements, is entered on this line.

Line 14. This line should represent the amount of any initial loan advance made to the Borrower at closing. When filling out after closing, this line should represent the amount of any unscheduled payment accompanying a payment plan change.

Line 15. Enter the amount of personal funds the Borrower will bring to settlement to offset the Closing Cost charges or the amount needed to satisfy Liens against the property. An amount must be entered when the principal limit is exceeded or when the borrower volunteers to pay a portion of their closing costs from personal funds.

Line 16. Enter the amount the Lender will pay at loan closing towards the Borrower's Closing Cost charges. This line is not applicable to purchase transactions and "N/A" may be entered.

Line 17. The result of adding Lines 11 through 14, and subtracting the sum of Lines 15 and 16 is entered on this line. [(Lines 11+12+13+14) – (Lines 15 +16)]

Line 18. The result of Lines 3 - 11-14+15+16. The result is entered on this line and is the borrower's Net Initial Disbursement Limit that is available through any combination of line of credit payment or monthly payments during the remainder of the First 12-Month Disbursement Period. After the First 12-Month Disbursement Period "N/A" may be entered on this line.

Line 19. The result of Lines 1 - 3 - 12 – 13 is entered on this Line and is the Borrower's estimated Net Principal Limit that is available through any combination of line of credit payment or monthly payments upon the expiration of the First 12-Month Disbursement Period.

Line 20. This line represents the amount designated by the Borrower to be available as a line of credit during the First 12-Month Disbursement Period. This amount may not exceed Line 18, less any amount designated for either term or tenure payments, during the First 12-Month Disbursement Period and it may not exceed Line 19, less any amount designated for either term or tenure payments, afterwards.

Line 21. The current outstanding balance on the mortgage should be entered on this line if the form is completed after closing. The outstanding balance is the amount of any payments made to or on behalf of the borrower – loan advances, payments from a line of credit or monthly payments – plus any interest and fees that have accrued since those payments were made. At closing, “N/A” may be entered on this line as this line is not applicable until after closing.

Line 22. At closing and during the First 12-Month Disbursement Period, this line is determined by subtracting Line 20 from Line 18. After the First 12-Month Disbursement Period, this line is determined by subtracting Line 20 from Line 19. This figure is the amount of funds available for monthly payments to the Borrower.

Line 23. This line should be completed if the Borrower wishes to receive monthly payments for a specified term. The term chosen by the Borrower should be entered next to the selection. If the form is completed after closing, and the Borrower is not changing the term previously chosen, the remaining time left in the term should be entered.

Line 24. This line should be completed if the Borrower wishes to receive monthly payments for the rest of his or her life, as long as he or she remains in the home.

Line 25. Enter the Monthly Payment calculated in accordance with FHA regulations and requirements on this line.

Line 26. The monthly amount necessary to cover one-twelfth (1/12) of the Borrower's annual property charges should be entered on this line. This amount is deducted from the Borrower's monthly payment but is not added to the outstanding balance until the charges are actually paid. This line is not applicable for loans with a Life Expectancy Set-Aside or for loans in which the Borrower has responsibility for paying property charges.

Line 27. The difference between Lines 25 and 26 should be entered on this line. This figure is the actual monthly payment that the Borrower will receive.

If the Lender and the Borrower have established a graduated payment schedule from the funds available in the Borrower's line of credit, that schedule should be attached to this form.