

**EXHIBIT 1
HOME EQUITY CONVERSION FIXED RATE MORTGAGE
PAYMENT PLAN**

Date of Payment Plan: _____

FHA Case Number: _____

Name of Lender: _____

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

First 12-Month Disbursement Period Expiration Date: _____

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

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

Expected Average Mortgage Interest Rate _____%

Provide the Initial Mortgage Interest (Accrual) Rate: _____

Borrower's Designation (check the appropriate line):

___ 60% of Principal Limit; or

___ Mandatory Obligations, plus 10% of the Principal Limit

Limits:

1. Principal Limit \$ _____
10% of PL \$ _____

50% of PL \$ _____
60% of PL \$ _____

2. Additional 10% of Principal Limit Usage: \$ _____
3. Borrower's Advance \$ _____
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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 Life Expectancy Set
 Aside Disbursements \$ _____
 Check One:
 ___ Required Fully-Funded ___ Voluntary Fully-Funded
 ___ None
10. Mandatory Obligations Total (Lines 4 +5+6+7+8+ 9) \$ _____
11. Servicing Fee Set Aside \$ _____
12. Net Life Expectancy Set Aside \$ _____
13. Loan Advance to Borrower \$ _____
14. Cash from Borrower (\$ _____)

15. Cash from Lender (\$_____)

16. Total Deductions [(Lines 10+11+12+13) – (Lines 14 + 15)] \$_____

17. Net Principal Limit (Not available to the Borrower) \$_____
(Line 1 – Line 16)

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 loan closing (closing) and 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.

Line 2. The Additional 10% of Principal Limit Usage is the amount the borrower chooses to receive at closing when Mandatory Obligations exceed 50% of the Principal Limit.

Line 3. The Borrower's Advance, calculated in accordance with FHA regulations and requirements, is entered on this line.

Line 4. The Initial MIP, is calculated in accordance with FHA regulations and requirements, is entered on this line.

Line 5. Other Closing Costs financed into the mortgage that are not already listed are to be entered on this line.

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.

Line 7. Enter the amount of the contract sales price for purchase transactions.

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.

Line 9. 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 10. The result of adding Lines 4 through 9 is entered on this line.

Line 11. 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.

Line 12. The result of subtracting Line 9 from the full amount of Life Expectancy Set Aside funds, calculated in accordance with FHA regulations and requirements, is entered on this line.

Line 13. This line should represent the amount of any initial loan advance made to the borrower at closing.

Line 14. 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 15. Enter the amount the Lender will pay at loan closing towards the Borrower's Closing Cost charges. Not applicable for purchase transactions.

Line 16. The result of adding Lines 10 through 13, and subtracting the sum of Lines 14 and 15. [(Lines 10+11+12+13) – (Lines 14 + 15)].

Line 17. The result of subtracting Line 16 from Line 1 (Line 1 – Line 16) is entered on this line. This amount is not available to the borrower after closing under any circumstances.