Appraisal Fee Deposit Disclosure

In order to proceed with your reverse mortgage loan application, you must first deposit funds for payment of the fee listed below:

Appraisal Deposit Fee: $ ______________________

The Appraisal Deposit Fee is a fee for an independently and impartially prepared written statement expressing an opinion as to the defined value of an adequately described property as of a specific date, that is supported by the presentation and analysis of relevant market information. The fee for the appraisal is an expense incurred on your behalf for the purpose of obtaining the loan for which you are applying.

- The Appraisal Deposit Fee is **nonrefundable** in the event your loan does not close and an Appraisal has been ordered. In addition, the borrower is responsible for any balance due to cover the total cost of the appraisal if it exceeds the amount of the deposit colleced.

- The Appraisal Deposit Fee is **refundable** in the event your loan does not close and an Appraisal has not been ordered.

- The Appraisal Deposit Fee is **refundable** if you choose after closing to exercise the 3 day right of recisssion provided to you by law.

- If your loan closes, you will be charged the remainder of your Appraisal Fee at closing. If the amount owed is less than the amount paid up-front, the difference will be credited to you at closing. Payment of the Appraisal Deposit Fee acknowledges that you have read, understand and agree to the terms of this disclosure.

Note: Federal law prohibits fees being collected from you prior to receipt of your initial application disclosures.

Payment of the Appraisal Deposit Fee acknowledges that you have read, understand and agree to the terms of this disclosure.

Carroll Dalton	Date

APPRAISAL FEE AUTHORIZATION FORM

Today's Date	AMC:

BORROWER INFORMATION

Borrower's First Name:	Last Name:
Co- Borrower's First Name:	Last Name:
Street address:	Home phone:
	Other phone:

City:	County:	State:	Zip:

BILLING METHOD

Appraisal Management Companies (AMC) are third party providers hired on behalf of the lender or mortgage broker. In an effort to efficiently handle your appraisal please select the payment method you prefer.

☐ Visa	☐ MasterCard	☐ American Express

Name on card:

Account number:

Billing address (if different):

City:	State:	Zip:
Security Code (3 digits on back of Visa/MC or 4 digits on front of AE):	Exp. Date:	Amount Charged:
Cardholder Signature:		Date:

Residential Loan Application for Reverse Mortgages

This application is designed to be completed by the applicant(s) with the lender's assistance. Applicants should complete this form as "Borrower" or "Co-Borrower", as applicable. Co-Borrower information must be provided for a person other than the Borrower (including the Borrower's spouse) who [x] is a co-owner of the real property that will secure the loan, or [ ] has or could have community property rights pursuant to state law in the real property that will secure the loan.

If this is an application for joint credit, Borrower and Co-Borrower each agree that we intend to apply for joint credit (sign below):

Borrower Carroll Sample Co-Borrower

I. Type of Mortgage and Terms of Loan

Mortgage Applied for:

- FHA Traditional HECM*
- X FHA Refinance HECM*
- FHA Purchase HECM*
- Sales Contract Price
- Land Installment Contract Price
- Borrower's Investment
- X Other Consumer Direct Fix (specify)

*Complete HUD/VA Addendum HUD 92900-A

FHA Case No. (HECM):

Lender Case No.:

Loan Payment Plans:

- Line of Credit
- Term
- Modified Term
- Tenure
- Modified Tenure
- X Single Disbursement Lump Sum Option
- Undecided

Purpose of Loan: (Check all that apply)

- X Additional Income
- Home Improvements
- Payment of Taxes
- Payment of Insurance
- Leisure
- Medical
- Extinguish Forward Mortgage
- Other (specify)

Features (Check the applicable boxes):

Special Loan Features:	Equity Share	Other (specify)	
Index Type:	LIBOR	Other (specify)	
ARM Type:	Monthly	Annual	
Fixed Rate Type:	Open End	X Closed End	
Other:	Explain		

$- 2,250.00 Loan Origination Fee

II. Primary Residence Property Information

Subject Property Address (street, city, state, county, and ZIP code):
9999 Blazmore Lane
Sample City, Maryland 20774

Legal Description of Subject Property (attach description if necessary):

Property Title is Held in These Names (please list all names on property title):

No. of Units:	Year Built:	Estimate of Appraised Value:
1	1987	$225,000.00

Residence Type: X Primary Residence ___ Investment Property

Property Title Held As: X Fee Simple ___ Life Estate ___ Leasehold ___ Leasehold Expiration Date

Check if title is also held as: ___ *Inter Vivos (Living) Trust* ___ Irrevocable Trust ___ Revocable Trust

III. Borrower Information

Borrower	Co-Borrower
Borrower's Name (include Jr. or Sr., if applicable): Carroll Sample	Co-Borrower's Name (include Jr. or Sr., if applicable):
Social Security Number: 999-99-9999 / DOB (MM/DD/YYYY): 11/18/	Social Security Number: / DOB (MM/DD/YYYY):
Monthly Income: $2,400.00	Monthly Income:
Real Estate Assets: $225,000.00	Real Estate Assets:
Available Assets: $60,000.00	Available Assets:
Home Phone (include area code): (301)	Home Phone (include area code):
Years of Residence at Present Address: 27	Years of Residence at Present Address:
Mailing Address, if different from Subject Property Address:	Mailing Address, if different from Subject Property Address:
Marital Status: ☐ Married ☒ Unmarried (includes single, divorced, widowed) ☐ Separated	Marital Status: ☐ Married ☐ Unmarried (includes single, divorced, widowed) ☐ Separated
Alternative Contact Person (name, address, phone):	Alternative Contact Person (name, address, phone):

IV. Liens Against The Property

List the creditor's name, address, and account number for all liens against the property.
NOTE: This section should not be used to list all personal liabilities, only liens against the primary residence. For example, federal or state real estate liens, judgment liens, mechanics liens, and second mortgages should be listed.

Name of Creditor	Address of Creditor	Unpaid Balance
		$112,000.00
Account Number		
	Total Liens to be paid:	$112,000.00

V. Total Non-Real Estate Debts

Total Amount of Non-Real Estate Debts: $5,000.00

VI. Declarations

If you answer "Yes" to any questions a through j, please use continuation section (page 5) for explanation.

	Borrower Yes	Borrower No	Co-Borrower Yes	Co-Borrower No
a. Are there any outstanding judgments against you?	☐	X	☐	☐
b. Have you filed for any bankruptcy that has not been resolved?	☐	X	☐	☐
c. Are you a party to a lawsuit?	☐	X	☐	☐
d. Are you presently delinquent or in default on any federal debt or any other loan, mortgage, financial obligation, bond, or loan guarantee? (If "Yes," give details, including date, name and address of lender, FHA or VA Case number (if applicable), and reason for delinquency/default)	☐	X	☐	☐
e. Do you intend to occupy the property as your primary residence?	X	☐	☐	☐
f. Are you a co-maker or endorser on a note?	☐	X	☐	☐
g. Are you a U.S. citizen?	X	☐	☐	☐
h. Are you a lawful permanent resident alien?	☐	X	☐	☐
i. Were you required to bring money to closing?	☐	X	☐	☐
If yes, did you borrow the money?	☐	☐	☐	☐
j. Do you intend to use the reverse mortgage to purchase or invest in financial products such as insurance, mutual funds or annuities? If yes, provide name of financial product and cost to purchase or invest below: *Example: long-term care insurance $10,000*	☐	X	☐	☐
k. Do you have an existing FHA insured loan? If "yes" provide property address, account number, name of creditor, amount of mortgages and liens, and unpaid loan balance below.	☐	X	☐	☐

VII. Acknowledgment and Agreement

Each of the undersigned specifically represents to Lender and Lender's actual or potential agents, brokers, processors, attorneys, insurers, servicers, successors, and assigns and agrees and acknowledges that: (1) the information provided in this application is true and correct as of the date set forth opposite my signature and that any intentional or negligent misrepresentation of this information contained in this application may result in civil liability, including monetary damages, to any person who may suffer any loss due to reliance upon any misrepresentation that I have made on this application, and/or in criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, sec. 1001, et seq.; (2) the loan requested pursuant to this application (the "Loan") will be secured by a mortgage or deed of trust on the property described in this application; (3) the property will not be used for any illegal or prohibited purpose or use; (4) all statements made in this application are made for the purpose of obtaining a residential mortgage loan; (5) the property will be occupied as indicated in this application; (6) the Lender, its servicers, successors, or assigns may retain the original and/or an electronic record of this application, whether or not the Loan is approved; (7) the Lender and its agents, brokers, insurers, servicers, successors, and assigns may continuously rely on the information contained in the application, and I am obligated to amend and/or supplement the information provided in this application if any of the material facts that I have represented in this application should change prior to closing the Loan; (8) ownership of the Loan and/or administration of the Loan account may be transferred with such notice as may be required by law; and (9) neither Lender nor its agents, brokers, insurers, servicers, successors, or assigns has made any representation or warranty, express or implied, to me regarding the property or the condition or value of the property.

Acknowledgment: Each of the undersigned hereby acknowledges that any owner of the Loan, its servicers, successors, and assigns, may verify or reverify any information contained in this application or obtain any information or data relating to the Loan, for any legitimate business purpose through any source, including a source named in this application or a consumer reporting agency.

Certification: I/We certify that the information provided in this application is true and correct as of the date set forth opposite my/our signature(s) on this application and acknowledge my/our understanding that any intentional or negligent misrepresentation(s) of the information contained in this application may result in civil liability and/or criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United State Code, Section 1001, et seq. and liability for monetary damages to the Lender, its agents, successors and assigns, insurers, and any other person who may suffer any loss due to reliance upon any misrepresentation which I/we have made on this application.

Borrower's Signature	Date	Co-Borrower's Signature	Date

VIII. Information for Government Monitoring Purposes

The following information is requested by the federal government for certain types of loans related to a dwelling in order to monitor the Lender's compliance with equal credit opportunity, fair housing, and home mortgage disclosure laws. You are not required to furnish this information, but are encouraged to do so. The law provides that a lender may not discriminate either on the basis of this information, or on whether you choose to furnish it. The Fair Housing Act, Title 42, United States Code, Section 3601-3619, et seq., prohibits discrimination on the basis of race, color, religion, sex, handicap, familial status, or national origin. If you furnish the information, please provide both ethnicity and race. For race, you may check more than one designation. If you do not furnish ethnicity, race, or sex, under federal regulations, this lender is required to note the information on the basis of visual observation or surname if you have made this application in person. If you do not wish to furnish the information, please check the box below.
(Lender must review the above material to assure that the disclosures satisfy all requirements to which the Lender is subject under applicable state law for the particular type of loan applied for.)

BORROWER	☐ I do not wish to furnish this information	**CO-BORROWER**	☐ I do not wish to furnish this information
Ethnicity:	☐ Hispanic or Latino ☒ Not Hispanic or Latino	**Ethnicity:**	☐ Hispanic or Latino ☐ Not Hispanic or Latino
Race:	☐ American Indian or Alaska Native ☐ Asian ☒ Black or African American ☐ Native Hawaiian or Other Pacific Islander ☐ White	**Race:**	☐ American Indian or Alaska Native ☐ Asian ☐ Black or African American ☐ Native Hawaiian or Other Pacific Islander ☐ White
Sex:	☒ Female ☐ Male	**Sex:**	☐ Female ☐ Male

To be Completed by Loan Originator:

This information was provided:

- ☐ In a face-to-face interview
- ☒ In a telephone interview
- ☐ By the applicant and submitted by fax or mail
- ☐ By the applicant and submitted via e-mail or the Internet

Loan Originator's Signature		Date
Loan Originator's Name (print or type)	Loan Originator Identifier:	Loan Originator's Phone Number (including area code)
Loan Origination Company's Name	Loan Origination Company Identifier	Loan Origination Company's Address

NOTE: FHA insures reverse mortgages for one- to four-family units under various provisions of Section 255 of the National Housing Act (Title 12, United States Code, Section 1715z-20 et seq.).

Public reporting burden for this collection of information is estimated to average one hour per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data, and completing and reviewing the collection of information.

Continuation Section/Residential Loan Application for Reverse Mortgages		
Use this continuation section if you need more space to complete the Residential Loan Application. Mark **B** f or Borrower or **C** for Co-Borrower.	Borrower:	Agency Case Number:
	Co-Borrower:	Lender Case Number:

I/We fully understand that it is a federal crime punishable by fine or imprisonment, or both, to knowingly make any false statements concerning any of the above facts as applicable under the provisions of Title 18, United States Code, Section 1001, et seq.

Borrower's Signature	Date	Co-Borrower's Signature	Date

Instructions for Completing the Residential Loan Application for Reverse Mortgages and Addendum

1. Instructions for Completing Form 1009

For the borrower's application, an FHA-insured reverse mortgage (Home Equity Conversion Mortgage or HECM), the lender must use the Residential Loan Application for Reverse Mortgages (Fannie Mae Form 1009).

Section I. Type of Mortgage And Terms Of Loan - Check the type of reverse mortgage for which application is being made: FHA HECM Traditional, FHA HECM Refinance, FHA HECM Purchase, or Other type of reverse mortgage. If Other is selected, the mortgage product must be specified. For FHA HECM Purchase, provide the sales contract price or land installment contract price and the borrower's investment. If HECM is selected, the HUD/VA Addendum (HUD 92900-A) must be completed and attached to the application.

FHA Case No. - If the mortgage applied for is a HECM, the FHA case number should be entered followed by the appropriate Section of the Act ADP Code for HECMs listed below:

	HUD - Processed	Direct Endorsement	ADP Code
Assignment/Fixed-rate	911	951	961
Assignment/ Adjustable-rate	912	952	962
Shared Premium/Fixed Rate	913	953	953
Shared Premium/ARM	914	954	954
Shared Appreciation/ Fixed Rate	915	955	955
Shared Appreciation/ ARM	916	956	956
Condo (Fixed)	967	957	957
Condo (ARM)	968	958	958

Lender Case No. - Indicate the case number assigned by the lender. This case number can be any combination of letters and numbers, as determined by the lender.

Loan Payment Plans - Indicate the payment plan in which the applicant is interested. The applicant can change the payment plan selection at closing.

Purpose of Loan - Indicate the reason for obtaining a reverse mortgage. This information is collected for monitoring and statistical purposes only. Failure to provide this information will not affect your eligibility in the program.

Special Loan Features - Special loan features pertaining to specific reverse mortgage products must be detailed in the space provided.

Amortization Type - Indicate either fixed-rate or adjustable-rate (ARM) amortization. If ARM is selected, indicate if the adjustment will occur monthly or annually.

Section II. Primary Residence Property Information

Subject Property Address - The address of the applicant's primary residence - including the county name and the ZIP code - should be entered.

Legal Description of Subject Property - Enter the legal description of the property as shown on the title insurance commitment or survey. The legal description may be attached to the loan application if it is lengthy.

No. of Units - Enter the number of family units on the subject property. For example, "1" would be used to indicate a single-family property. "2" would indicate a duplex, etc.

Year Built - Indicate the year the property was constructed.

Estimate of Appraised Value -Enter an estimate of the property value. (An exact valuation is not necessary as verification will occur during the property appraisal process.)

Residence Type - Primary residence must be checked. Check "primary residence" and "investment property" if applicant resides in a multi-unit property with rental tenants.

Property Title is Held in These Names - List names of all titleholders to the property.

Property Title Held As - Identify how the property rights are held: fee simple, life estate, or leasehold estate. If leasehold estate is selected, enter the expiration date of the lease. If title is also held as an inter vivos (living) trust, check the corresponding box. Check the applicable trust type, irrevocable or revocable.

Section III. Borrower Information

Borrower's Name - Indicate the full legal name of the applicant, as the titleholder to the subject property.

Co-Borrower's Name - Indicate the full legal name of the co-applicant, if also a titleholder to the subject property.

Social Security Number - Enter the applicant's social security number, and co-applicant's social security number, if applicable.

Date of Birth - Enter the applicant's birth date, and co-applicant's birth date, if applicable.

Monthly Income - Enter the applicant's monthly income, and co-applicant's monthly income, if applicable.

Real Estate Assets - Enter total value of applicant's real estate assets.

Available Assets - Enter the amount of the applicant's available (liquid) assets.

Home Phone - Enter the applicant's home phone number, and co-applicant's home phone number, if applicable. Include the area code for each phone number.

Years of Residence at Present Address - Enter the number of years the applicant has resided at the subject property address. Provide the same information for the co-applicant, if applicable.

Marital Status - Check the box that represents the applicant's marital status. Provide the same information for the co-applicant, if applicable.

Alternative Contact Person - Provide the name, home address, and telephone number for a family member, friend, or advisor to the applicant. The contact person should be someone who has access to and/or maintains regular communication with the applicant. Provide the same information for the co-applicant, if applicable.

Section IV. Liens Against the Property

The applicant must provide information on unpaid liens against the primary property. The name and address of the creditor(s), as well as the lien account number(s) and balance(s) owed, must be completed. The total unpaid balance of these property liens should be totaled and entered in the space provided.

Section V. Total Non-Real Estate Debts

List the total of all debts not related to real estate. This may include automobile loans and revolving charge cards.

Section VI. Declarations

The applicant and co-applicant, if applicable, must complete Blocks a. through k., using "Yes" or "No" as responses. Blocks d. and j. require a detailed explanation if the response is affirmative. For Blocks g. and h., note that FHA requires the applicant (s) and co-applicant(s) to be either United States citizens or lawful permanent resident aliens. FHA will insure a mortgage to the permanent resident alien under the same terms and conditions as United States citizens.

Section VII. Acknowledgment and Agreement

The applicant and co-applicant, if applicable, should read this section carefully, indicate the date of signature, and sign in the pertinent blocks.

Section VIII. Information for Government Monitoring Purposes

These blocks may be completed. If the borrower chooses not to furnish any or all of this information, Federal Regulations require that the lender note that choice on the application. Federal Regulations also require the lender to note the race or national origin and sex of the applicant on the basis of visual observation or surname. This information is collected, in part, for the Home Mortgage Disclosure Act (HMDA).

2. Instructions for completing the HUD/VA Addendum (Form 92900-A)

The HUD/VA Addendum (92900-A) consists of four 4 pages. These four pages contain statutory and regulatory information and certifications and should be completed, signed, and dated, and included in the case binder. For lenders who are not approved for direct endorsement or have pre-closing status, the documentation should be completed, signed, and included in the case binder at the time of submission for firm commitment. A copy of the Addendum must be provided to the borrower. The instructions below relate to completing the Addendum for the HECM Program.

PART I -Identifying Information

Section of the Act (Block 4) - Enter the same code that follows the FHA case number in Section 1 of the loan application.

Loan Amount (Block 7) - Enter the principal limit in this block.

Interest Rate (Block 8) - For Adjustable Rate HECMs, enter the Expected Average Mortgage Interest Rate ("expected rate") in the block. For Fixed Rate HECMs, enter the Fixed Mortgage Interest Rate.

Do not complete blocks 9, 10, 12a, 12b, and 20.

HUD/VA Addendum to Uniform Residential Loan Application

Part I - Identifying Information (mark the type of application)

1 [ ] **VA** Application for Home Loan Guaranty [X] **HUD/FHA** Application for Insurance under the National Housing Act

2. Agency Case No. (include any suffix)	**3. Lender's Case No.**	**4. Section of the Act** (for HUD cases) 255	
7. Loan Amount (include the UFMIP if for HUD or Funding Fee if for VA) $130,275.00	**8. Interest Rate** 4.990%	**9. Proposed Maturity**	
10. Discount Amount (only if borrower is permitted to pay)	**11. Amount of Up Front Premium** $2,625.00	**12a. Amount of Monthly Premium** $ / mo.	**12b. Term of Monthly Premium** months
13. Lender's I.D. Code		**14. Sponsor / Agent I.D. Code**	

5. Borrower's Name & Present Address (Include zip code)
Carroll Sample
9999 Blazmore Lane
Upper Marlboro, MD 20774

6. Property Address (including name of subdivision, lot & block no. & zip code)
9999 Blazmore Lane
Upper Marlboro, MD 20774

15. Lender's Name & Address (include zip code)

Type or Print all entries clearly

16. Name & Address of Sponsor / Agent

17. Lender's Telephone Number

VA: The veteran and the lender hereby apply to the Secretary of Veterans Affairs for Guaranty of the loan described here under Section 3710, Chapter 37, Title 38, United States Code, to the full extent permitted by the veteran's entitlement and severally agree that the Regulations promulgated pursuant to Chapter 37, and in effect on the date of the loan shall govern the rights, duties, and liabilities of the parties.

18. First Time Homebuyer?
a. [ ] Yes
b. [X] No

19. VA Only Title will be Vested in
[ ] Veteran
[ ] Veteran & Spouse
[ ] Other (specify)

20. Purpose of Loan (blocks 9 - 12 are for VA loans only)
1) [ ] Purchase Existing Home Previously Occupied
2) [ ] Finance Improvements to Existing Property
3) [X] Refinance (Refi.)
4) [ ] Purchase New Condo. Unit
5) [ ] Purchase Existing Condo.Unit
6) [ ] Purchase Existing Home Not Previously Occupied
7) [ ] Construct Home (proceeds to be paid out during construction)
8) [ ] Finance Co-op Purchase
9) [ ] Purchase Permanently Sited Manufactured Home
10) [ ] Purchase Permanently Sited Manufactured Home & Lot
11) [ ] Refi. Permanently Sited Manufactured Home to Buy Lot
12) [ ] Refi. Permanently Sited Manufactured Home/Lot Loan

Part II - Lender's Certification

21. The undersigned lender makes the following certifications to induce the Department of Veterans Affairs to issue a certificate of commitment to guarantee the subject loan or a Loan Guaranty Certificate under Title 38, U.S. Code, or to induce the Department of Housing and Urban Development -Federal Housing Commissioner to issue a firm commitment for mortgage insurance or a Mortgage Insurance Certificate under the National Housing Act.

A. The loan terms furnished in the Uniform Residential Loan Application and this Addendum are true, accurate and complete.

B. The information contained in the Uniform Residential Loan Application and this Addendum was obtained directly from the borrower by an employee of the undersigned lender or its duly authorized agent and is true to the best of the lender's knowledge and belief.

C. The credit report submitted on the subject borrower (and co-borrower , if any) was ordered by the undersigned lender or its duly authorized agent directly from the credit bureau which prepared the report and was received directly from said credit bureau.

D. The verification of employment and verification of deposits were requested and received by the lender or its duly authorized agent without passing through the hands of any third persons and are true to the best of the lender's knowledge and belief .

E. The Uniform Residential Loan Application and this Addendum were signed by the borrower after all sections were completed.

F. This proposed loan to the named borrower meets the income and credit requirements of the governing law in the judgment of the undersigned.

G. To the best of my knowledge and belief, I and my firm and its principals: **(1)** are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency; **(2)** have not, within a three-year period preceding this proposal, been convicted of or had a civil judgment rendered against them for (a) commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; (b) violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property; **(3)** are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph G(2) of this certification; and **(4)** have not, within a three-year period preceding this application/proposal, had one or more public transactions (Federal, State or local) terminated for cause or default.

Items "H" through "J" are to be completed as applicable for VA loans only.

H. The names and functions of any duly authorized agents who developed on behalf of the lender any of the information or supporting credit data submitted are as follows :

Name & Address	**Function** (e.g., obtained information on the Uniform Residential Loan Application, ordered credit report, verifications of employment, deposits, etc.)

If no agent is shown above, the undersigned lender affirmatively certifies that all information and supporting credit data were obtained directly by the lender .

I. The undersigned lender understands and agrees that it is responsible for the omissions, errors, or acts of agents identified in item H as to the functions with which they are identified.

J. The proposed loan conforms otherwise with the applicable provisions of Title 38, U.S. Code, and of the regulations concerning guaranty or insurance of loans to veterans .

Signature of Officer of Lender	Title of Officer of Lender	Date (mm/dd/yyyy)

Part III - Notices to Borrowers.

Public reporting burden for this collection of information is estimated to average 6 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and a person is not required to respond to, a collection information unless that collection displays a valid OMB control number can be located on the OMB Internet page at http://www.whitehouse.gov/omb/library/OMBINV.LIST.OF.AGENCIES.html#LIST_OF_AGENCIES. **Privacy Act Information.** The information requested on the Uniform Residential Loan Application and this Addendum is authorized by 38 U.S.C. 3710 (if for DVA) and 12 U.S.C. 1701 et seq. (if for HUD/FHA). The Debt Collection Act of 1982, Pub. Law 97-365, and HUD's Housing and Community Development Act of 1987, 42 U.S.C. 3543, require persons applying for a federally insured or guaranteed loan to furnish his/her social security number (SSN). You must provide all the requested information, including your SSN. HUD and/or VA may conduct a computer match to verify the information you provide. HUD and/or VA may disclose certain information to Federal, State and local agencies when relevant to civil, criminal, or regulatory investigations and prosecutions.It will not otherwise be disclosed or released outside of HUD or VA, except as required and permitted by law. The information will be used to determine whether you qualify as a mortgagor. Any disclosure of information outside VA or HUD/FHA will be made only as permitted by law. Failure to provide any of the requested information, including SSN, may result in disapproval of your loan application.

This is notice to you as required by the Right to Financial Privacy Act of 1978 that VA or HUD /FHA has a right of access to financial records held by financial institutions in connection with the consideration or administration of assistance to you. Financial records involving your transaction will be available to VA and HUD /FHA without further notice or authorization but will not be disclosed or released by this institution to another Government Agency or Department without your consent except as required or permitted by law.

Caution. Delinquencies, defaults, foreclosures and abuses of mortgage loans involving programs of the Federal Government can be costly and detrimental to your credit, now and in the future. The lender in this transaction, its agents and assigns as well as the Federal Government, its agencies, agents and assigns, are authorized to take any and all of the following actions in the event loan payments become delinquent on the mortgage loan described in the attached application: (1) Report your name and account information to a credit bureau; (2) Assess additional interest and penalty charges for the period of time that payment is not made; (3) Assess charges to cover additional administrative costs incurred by the Government to service your account; (4) Offset amounts owed to you under other Federal programs; (5) Refer your account to a private attorney, collection agency or mortgage servicing agency to collect the amount due, foreclose the mortgage, sell the property and seek judgment against you for any deficiency ; (6) Refer your account to the Department of Justice for litigation in the courts; (7) If you are a current or retired Federal employee, take action to offset your salary, or civil service retirement benefits; (8) Refer your debt to the Internal Revenue Service for offset against any amount owed to you as an income tax refund; and (9) Report any resulting written-off debt of yours to the Internal Revenue Service as your taxable income. All of these actions can and will be used to recover any debts owed when it is determined to be in the interest of the lender and/or the Federal Government to do so.

Part IV - Borrower Consent for Social Security Administration to Verify Social Security Number

I authorize the Social Security Administration to verify my Social Security number to the Lender identified in this document and HUD /FHA, through a computer match conducted by HUD/FHA.

I understand that my consent allows no additional information from my Social Security records to be provided to the Lender, and HUD/ FHA and that verification of my Social Security number does not constitute confirmation of my identity. I also understand that my Social Security number may not be used for any other purpose than the one stated above, including resale or redisclosure to other parties. The only other redisclosure permitted by this authorization is for review purposes to ensure that HUD /FHA complies with SSA's consent requirements.

I am the individual to whom the Social Security number was issued or that person's legal guardian. I declare and affirm under the penalty of perjury that the information contained herein is true and correct. I know that if I make any representation that I know is false to obtain information from Social Security records, I could be punished by a fine or imprisonment or both.

<u>This consent is valid for 180 days from the date signed, unless indicated otherwise by the individual(s) named in this loan application.</u>

Read consent carefully. Review accuracy of social security number(s) and birth dates provided on this application.

Signature(s) of Borrower(s)	Date signed	Signature(s) of Co-Borrower(s)	Date signed

Part V - Borrower Certification

22. Complete the following for a HUD/FHA Mortgage.

		Is it to be sold ?	22b. Sales Price	22c. Original Mortgage Amt
22a. Do you own or have you sold **other** real estate within the past 60 months on which there was a HUD/FHA mortgage?	☐ Yes ☒ No	☐ Yes ☒ No	$	$
22d. Address				

22e. If the dwelling to be covered by this mortgage is to be rented, is it a part of, adjacent or contiguous to any project subdivision or group of concentrated rental properties involving eight or more dwelling units in which you have any financial interest? ☐ Yes ☒ No If "Yes" give details.

22f. Do you own more than four dwellings ☐ Yes ☒ No If "Yes" submit form HUD-92561.

23. Complete for VA-Guaranteed Mortgage. Have you ever had a VA home Loan? ☐ Yes ☐ No

24. Applicable for Both VA & HUD. As a home loan borrower, you will be legally obligated to make the mortgage payments called for by your mortgage loan contract. The fact that you dispose of your property after the loan has been made **will not relieve you of liability for making these payments. Payment of the loan in full is ordinarily the way liability on a mortgage note is ended**. Some home buyers have the mistaken impression that if they sell their homes when they move to another locality, or dispose of it for any other reasons, they are no longer liable for the mortgage payments and that liability for these payments is solely that of the new owners. Even though the new owners may agree in writing to assume liability for your mortgage payments, this assumption agreement will not relieve you from liability to the holder of the note which you signed when you obtained the loan to buy the property. Unless you are able to sell the property to a buyer who is acceptable to VA or to HUD /FHA and who will assume the payment of your obligation to the lender, you will not be relieved from liability to repay any claim which VA or HUD /FHA may be required to pay your lender on account of default in your loan payments. **The amount of any such claim payment will be a debt owed by you to the Federal Government.** This debt will be the object of established collection procedures.

25. I, the Undersigned Borrower(s) Certify that:

(1) I have read and understand the foregoing concerning my liability on the loan and Part III Notices to Borrowers.

(2) Occupancy: (for VA only -- mark the applicable box)

☐ **(a)** I now actually occupy the above-described property as my home or intend to move into and occupy said property as my home within a reasonable period of time or intend to reoccupy it after the completion of major alterations, repairs or improvements.

☐ **(b)** My spouse is on active military duty and in his or her absence, I occupy or intend to occupy the property securing this loan as my home.

☐ **(c)** I previously occupied the property securing this loan as my home. (for interest rate reductions)

☐ **(d)** While my spouse was on active military duty and unable to occupy the property securingthis loan, I previously occupied the property that is securing this loan as my home. (for interest rate reduction loans)

Note: If box **2b** or **2d** is checked, the veteran's spouse must also sign below.

☐ **(3)** Mark the applicable box (not applicable for Home Improvement or Refinancing Loan) I have been informed that () is:

☐ the reasonable value of the property as determined by VA or ;

☐ the statement of appraised value as determined by HUD / FHA.

Note: If the contract price or cost exceeds the VA "Reasonable Value" or HUD/FHA "Statement of Appraised Value", mark either item (a) or item (b), whichever is applicable.

☐ **(a)** I was aware of this valuation when I signed my contract and I have paid or will pay in cash from my own resources at or prior to loan closing a sum equal to the difference between the contract purchase price or cost and the VA or HUD/FHA established value. I do not and will not have outstanding after loan closing any unpaid contractual obligation on account of such cash payment;

☐ **(b)** I was not aware of this valuation when I signed my contract but have elected to complete the transaction at the contract purchase price or cost. I have paid or will pay in cash from my own resources at or prior to loan closing a sum equal to the difference between contract purchase price or cost and the VA or HUD/ FHA established value. I do not and will not have outstanding after loan closing any unpaid contractual obligation on account of such cash payment.

(4) Neither I, nor anyone authorized to act for me, will refuse to sell or rent, after the making of a bona fide offer, or refuse to negotiate for the sale or rental of, or otherwise make unavailable or deny the dwelling or property covered by his/ her loan to any person because of race, color, religion, sex, handicap, familial status or national origin. I recognize that any restrictive covenant on this property relating to race, color, religion, sex, handicap, familial status or national origin is illegal and void and civil action for preventive relief may be brought by the Attorney General of the United States in any appropriate U.S. District Court against any person responsible for the violation of the applicable law.

(5) All information in this application is given for the purpose of obtaining a loan to be insured under the National Housing Act or guaranteed by the Department of Veterans Affairs and the information in the Uniform Residential Loan Application and this Addendum is true and complete to the best of my knowledge and belief. Verification may be obtained from any source named herein.

(6) **For HUD Only** (for properties constructed prior to 1978) I have received information on lead paint poisoning. ☐ Yes ☒ Not applicable

(7) **I am aware that neither HUD / FHA nor VA warrants the condition or value of the property**

Signature(s) of Borrower(s) - **Do not sign** unless this application is fully completed. Read the certifications carefully & review accuracy of this application.

Signature(s) of Borrower(s)	Date signed	Signature(s) of Co-Borrower(s)	Date signed

(Borrowers Must Sign Both Parts IV &V) Federal statutes provide severe penalties for any fraud, intentional misrepresentation, or criminal connivance or conspiracy purposed to influence the issuance of any guaranty or insurance by the VA Secretary or the HUD /FHA Commissioner.

Schedule of Real Estate

1. Do you have an existing mortgage? Yes ________ No ________
2. Do you have an existing FHA insured loan? Yes ________ No ________

If you answered “yes” to Question 1 or Question 2, or have additional real estate free and clear, please provide all property information by completing the fields below.

ADDRESS		STATUS	TYPE	LENDER
9999 Blazmore Lane Upper Marlboro, MD 20774		(SOLD, PENDING SALE, RENTAL)	(Single Family/Condo/PUD/Units)	
AMOUNT OF MORTGAGES & LIENS	GROSS RENTAL INCOME (Monthly)	MORTGAGE PAYMENTS (Monthly)	INSURANCE, TAXES, MAINTENANCE, & MISC. (Monthly)	NET RENTAL INCOME (Monthly)
$	$	$	$	$

ADDRESS		STATUS	TYPE	LENDER
		(SOLD, PENDING SALE, RENTAL)	(Single Family/Condo/PUD/Units)	
AMOUNT OF MORTGAGES & LIENS	GROSS RENTAL INCOME (Monthly)	MORTGAGE PAYMENTS (Monthly)	INSURANCE, TAXES, MAINTENANCE, & MISC. (Monthly)	NET RENTAL INCOME (Monthly)
$	$	$	$	$

ADDRESS		STATUS	TYPE	LENDER
		(SOLD, PENDING SALE, RENTAL)	(Single Family/Condo/PUD/Units)	
AMOUNT OF MORTGAGES & LIENS	GROSS RENTAL INCOME (Monthly)	MORTGAGE PAYMENTS (Monthly)	INSURANCE, TAXES, MAINTENANCE, & MISC. (Monthly)	NET RENTAL INCOME (Monthly)
$	$	$	$	$

ADDRESS		STATUS	TYPE	LENDER
		(SOLD, PENDING SALE, RENTAL)	(Single Family/Condo/PUD/Units)	
AMOUNT OF MORTGAGES & LIENS	GROSS RENTAL INCOME (Monthly)	MORTGAGE PAYMENTS (Monthly)	INSURANCE, TAXES, MAINTENANCE, & MISC. (Monthly)	NET RENTAL INCOME (Monthly)
$	$	$	$	$

USE CONTINUATION SHEET IF NEEDED

Carroll Sample

Date

Borrower's Acknowledgment of Disclosures

Borrower Name(s): **Carroll Sample**
Lender: **Security Sample**
Property Address: **9999 Blazmore Lane, Upper Marlboro, Maryland 20774**
Date:

The Real Estate Settlement Procedures Act (RESPA) requires that consumers applying for a reverse mortgage loan receive a Good Faith Estimate and Settlement Service Provider list from their loan originator. By signing this form I/we acknowledge that I/we have received these two disclosures.

☐ I/we **would like to proceed** with the origination of my/our reverse mortgage loan.

☐ I/we **have not decided if I/we would like to proceed** with the origination of my/our reverse mortgage loan.

☐ I/We **do not want to proceed** with the origination of our reverse mortgage loan.

☐ I/We want to use the service providers identified by **Security Sample**. I/We will not be liable or responsible for any such costs above an increase in 10% (subject to changed circumstances).

☐ I/We want to shop around and select our own service providers. I/We understand that the amount paid for the service providers we select are not subject to a tolerance at settlement. I/We understand we must inform **Security Sample** of the service provider I/we have chosen **within 10 days from the date of this disclosure.**

☐ I/We do not want to proceed with the origination of our reverse mortgage loan.

Carroll Sample

Date

Good Faith Estimate (GFE)

Name of Originator	Security Sample
Originator Address	
Originator Phone Number	
Originator Email	

Borrower	Carroll Sample
Property Address	
Date of GFE	

Purpose

This GFE gives you an estimate of your settlement charges and loan terms if you are approved for this loan. For more information, see HUD's *Special Information Booklet* on settlement charges, your *Truth-in-Lending Disclosures,* and other consumer information at www.hud.gov/respa. If you decide you would like to proceed with this loan, contact us.

Shopping for your loan

Only you can shop for the best loan for you. Compare this GFE with other loan offers, so you can find the best loan. Use the shopping chart on page 3 to compare all the offers you receive.

Important dates

1. The interest rate for this GFE is available through ______. After this time, the interest rate, some of your loan Origination Charges, and the monthly payment shown below can change until you lock your interest rate.
2. This estimate for all other settlement charges is available through M . days (your rate
3. After you lock interest rate, you must go to settlement within N/A lock period) to receive the locked interest rate.
4. You must lock the interest rate at least N/A days before settlement.

Summary of your loan

Your initial loan amount is	$ 130,275.00	
Your loan term is	N/A years	
Your initial interest rate is	4.990 %	
Your initial monthly amount owed for principal, interest, and any mortgage insurance is	$ N/A per month	
Can your interest rate rise?	[X] No	[ ] Yes, it can rise to a maximum of N/A %. The first change will be in . .
Even if you make payments on time, can your loan balance rise?	[ ] No	[X] Yes, it can rise to a maximum of $ Unknown
Even if you make payments on time, can your monthly amount owed for principal, interest, and any mortgage insurance rise?	[X] No	[ ] Yes, the first increase can be in and the monthly amount owed can rise to $. The maximum it can ever rise to is $.
Does your loan have a prepayment penalty?	[X] No	[ ] Yes, your maximum prepayment penalty is $.
Does your loan have a balloon payment?	[X] No	[ ] Yes, you have a balloon payment of $ N/A due in N/A years.

Escrow account information

Some lenders require an escrow account to hold funds for paying property taxes or other property-related charges in addition to your monthly amount owed of $ N/A .

Do we require you to have an escrow account for your loan?

[X] No, you do not have an escrow account. You must pay these charges directly when due.

[ ] Yes, you have an escrow account. It may or may not cover all of these charges. Ask us.

Summary of your settlement charges

A	**Your Adjusted Origination Charges** ***(See page 2.)***	$- 2,125.00
B	**Your Charges for All Other Settlement Services** ***(See page 2.)***	$5,020.25
A + B	Total Estimated Settlement Charges	**$2,895.25**

Understanding your estimated settlement charges

Your Adjusted Origination Charges

1. Our origination charge This charge is for getting this loan for you.	$- 2,125.00
2. Your credit or charge (points) for the specific interest rate chosen [X] The credit or charge for the interest rate of 4.990 % is included in "Our origination charge." (See item 1 above.) [ ] You receive a credit of $ ____ for this interest rate of ____ %. This credit **reduces** your settlement charges. [ ] You pay a charge of $ ____ for this interest rate of ____ %. This charge (points) increases your total settlement charges. The tradeoff table on page 3 shows that you can change your total settlement charges by choosing a different interest rate for this loan.	$0.00
A Your Adjusted Origination Charges	$- 2,125.00

Your Charges for All Other Settlement Services

Some of these charges can change at settlement. See the top of page 3 for more information.

3. Required services that we select — $3,125.25

These charges are for services we require to complete your settlement. We will choose the providers of these services.

Service	*Charge*
Appraisal fee	$475.00
Credit report	$18.50
Flood certification	$6.75
Mortgage Insurance Premium	$2,625.00

4. Title services and lender's title insurance — $1,650.00

This charge includes the services of a title or settlement agent, for example, and title insurance to protect the lender, if required

5. Owner's title insurance — $0.00

You may purchase an owner's title insurance policy to protect your interest in the property.

6. Required services that you can shop for — $125.00

These charges are for other services that are required to complete your settlement. We can identify providers of these services or you can shop for them yourself. Our estimates for providing these services are below.

Service	*Charge*
HECM counseling fee	$125.00

7. Government recording charges — $120.00

These charges are for state and local fees to record your loan and title documents.

8. Transfer taxes — $0.00

These charges are for state and local fees on mortgages and home sales.

9. Initial deposit for your escrow account — $0.00

This charge is held in an escrow account to pay future recurring charges on your property and includes [ ] all property taxes, [ ] all insurance, and [ ] other ____ .

10. Daily interest charges — $0.00

This charge is for the daily interest on your loan from the day of your settlement until the first day of the next month or the first day of your normal mortgage payment cycle. This amount is $ ____ per day for ____ days (if your settlement is ____).

11. Homeowner's insurance — $0.00

This charge is for the insurance you must buy for the property to protect from a loss, such as fire.

Policy	*Charge*

B Your Charges for All Other Settlement Services	$5,020.25
A + B Total Estimated Settlement Charges	**$2,895.25**

Instructions

Understanding which charges can change at settlement

This GFE estimates your settlement charges. At your settlement, you will receive a HUD-1, a form that lists your actual costs. Compare the charges on the HUD-1 with the charges on this GFE. Charges can change if you select your own provider and do not use the companies we identify. (See below for details.)

These charges **cannot increase** at settlement:	The total of these charges **can increase up to 10%** at settlement:	These charges **can change** at settlement:
■ Our origination charge ■ Your credit or charge (points) for the specific interest rate chosen *(after you lock in your interest rate)* ■ Your adjusted origination charges *(after you lock in your interest rate)* ■ Transfer taxes	■ Required services that we select ■ Title services and lender's title insurance *(if we select them or you use companies we identify)* ■ Owner's title insurance *(if you use companies we identify)* ■ Required services that you can shop for *(if you use companies we identify)* ■ Government recording charges	■ Required services that you can shop for *(if you do not use companies we identify)* ■ Title services and lender's title insurance *(if you do not use companies we identify)* ■ Owner's title insurance *(if you do not use companies we identify)* ■ Initial deposit for your escrow account ■ Daily interest charges ■ Homeowner's insurance

Using the tradeoff table

In this GFE, we offered you this loan with a particular interest rate and estimated settlement charges . However:

- If you want to choose this same loan with **lower settlement charges**, then you will have a **higher interest rate**.
- If you want to choose this same loan with a **lower interest rate**, then you will have **higher settlement charges**.

If you would like to choose an available option, you must ask us for a new GFE.

Loan originators have the option to complete this table. Please ask for additional information if the table is not completed.

	The loan in this GFE	**The same loan with lower settlement charges**	**The same loan with a lower interest rate**
Your initial loan amount	$130,275.00	$	$
Your initial interest rate [1]	4.990%	%	%
Your initial monthly amount owed	N/A	$	$
Change in the monthly amount owed from this GFE	No change	You will pay $ **more** every month	You will pay $ **less** every month
Change in the amount you will pay at settlement with this interest rate	No change	Your settlement charges will be **reduced** by $	Your settlement charges will be **increase** by $
How much your total estimated settlement charges will be	$2,895.25	$	$

[1] *For an adjustable rate loan, the comparisons above are for the initial interest rate before adjustments are made.*

Using the shopping chart

Use this chart to compare GFEs from different loan originators . Fill in the information by using a different column for each GFE you receive. By comparing loan offers, you can shop for the best loan.

	This loan	**Loan 2**	**Loan 3**	**Loan 4**
Loan originator name	Security 1 Lending			
Initial loan amount	$130,275.00			
Loan term	N/A			
Initial interest rate	4.990%			
Initial monthly amount owed	N/A			
Rate lock period	N/A			
Can interest rate rise?	No			
Can loan balance rise?	Yes			
Can monthly amount owed rise?	No			
Prepayment penalty?	No			
Balloon payment?	No			
Total Estimated Settlement Charges	$2,895.25			

If your loan is sold in the future

Some lenders may sell your loan after settlement. Any fees lenders receive in the future cannot change the loan you receive or the charges you paid at settlement.

Total Annual Loan Cost Rate

19332

Borrower Name/Case Number: **Carroll Sample /**

Refinance: **Yes**

LOAN TERMS

Age of Youngest Borrower:	**00**
Property Value:	**$225,000.00**
Initial Interest Rate:	**4.990%**
Monthly Advance:	**$0.00**
Length of Term:	
Initial Advance:	**$13,027.50**
Lien Payoffs with Reverse Mortgage:	**$112,000.00**
Initial Line Of Credit:	**$0.00**

MONTHLY LOAN CHARGES

Servicing Fee:	**$0.00**
Mortgage Insurance:	**1.25% annually**

OTHER CHARGES

Shared Appreciation:	**None**

INITIAL LOAN CHARGES

Mortgage Insurance Premium:	**$2,625.00**
Other Closing Costs:	**$145.25**
POC Closing Costs:	**$125.00**
Annuity Cost:	**$0.00**

REPAYMENT LIMITS

Net proceeds estimated at 93% of projected home sale

Total Annual Loan Cost Rate

Appreciation Rate	Disclosure Period (Years)			
	2 Years	7 Years	13 Years	18 Years
0%	7.496%	6.620%	4.049%	2.908%
4%	7.496%	6.620%	6.459%	6.407%
8%	7.496%	6.620%	6.459%	6.407%

The cost of any reverse mortgage loan depends on how long you keep the loan and how much your house appreciates in value. Generally, the longer you keep a reverse mortgage, the lower the total annual loan cost rate will be.

This table shows the estimated cost of your reverse mortgage loan, expressed as an annual rate. It illustrates the cost for four loan terms: 2 years, half of life expectancy for someone your age, that life expectancy, and 1.4 times that life expectancy. The table also shows the cost of the loan, assuming the value of your home appreciates at three different rates: 0%, 4% and 8%.

The total annual cost rates in this table are based on the total charges associated with this loan. These charges typically include principal, interest, closing costs, mortgage insurance premiums, annuity costs and servicing costs (but not disposition costs--costs when you sell the home).

The rates in this table are estimates. Your actual cost may differ if, for example, the amount of your loan advances varies or the interest rate on your mortgage changes. You may receive projections of loan balances from counselors or lenders that are based on an expected average mortgage rate that differs from the initial interest rate .

SIGNING AN APPLICATION OR RECEIVING THESE DISCLOSURES DOES NOT REQUIRE YOU TO COMPLETE THIS LOAN

Carroll Sample

Date

Amortization Schedule - Annual Projections

Borrower Name/Case Number: **Carroll Sample/** Refinance: **Yes**

Age of Youngest Borrower:		Initial Property Value:	**$225,000.00**
Interest Rate (Expected / Initial):	**4.990% / 4.990%**	Beg. Mortgage Balance:	**$127,797.75**
Maximum Claim Amount:	**$225,000.00**	Expected Appreciation:	**4.000%**
Initial Principal Limit:	**$130,275.00**	Initial Line Of Credit:	**$0.00**
Initial Advance:	**$13,027.50**	Monthly Payment:	**$0.00**
Lien Payoffs with Reverse Mortgage:	**$112,000.00**	Monthly Servicing Fee:	**$0.00**
Financed Closing Costs:	**$2,770.25**	Mortgage Insurance (MIP)	**1.25%**

NOTE: Actual interest charges and property value projections may vary from amounts shown. Available credit will be less than projected if funds withdrawn from line-of-credit.

			Annual Totals				End of Year Projections			
Yr	Age	SVC Fee	Cash Payment	MIP	Rate	Interest	Loan Balance	Line Of Credit	Property Value	Equity
1	73	$0	$0	$1,644	4.990%	$6,563	$136,004	$0	$234,000	$97,871
2	74	$0	$0	$1,750	4.990%	$6,984	$144,738	$0	$243,360	$98,497
3	75	$0	$0	$1,862	4.990%	$7,433	$154,033	$0	$253,094	$98,937
4	76	$0	$0	$1,981	4.990%	$7,910	$163,924	$0	$263,218	$99,169
5	77	$0	$0	$2,109	4.990%	$8,418	$174,450	$0	$273,747	$99,171
6	78	$0	$0	$2,244	4.990%	$8,958	$185,653	$0	$284,697	$98,919
7	79	$0	$0	$2,388	4.990%	$9,534	$197,575	$0	$296,085	$98,385
8	80	$0	$0	$2,542	4.990%	$10,146	$210,262	$0	$307,928	$97,541
9	81	$0	$0	$2,705	4.990%	$10,797	$223,764	$0	$320,245	$96,356
10	82	$0	$0	$2,878	4.990%	$11,491	$238,134	$0	$333,055	$94,796
11	83	$0	$0	$3,063	4.990%	$12,229	$253,426	$0	$346,377	$92,827
12	84	$0	$0	$3,260	4.990%	$13,014	$269,700	$0	$360,232	$90,408
13	85	$0	$0	$3,469	4.990%	$13,850	$287,019	$0	$374,642	$87,498
14	86	$0	$0	$3,692	4.990%	$14,739	$305,450	$0	$389,627	$84,052
15	87	$0	$0	$3,929	4.990%	$15,686	$325,065	$0	$405,212	$80,023
16	88	$0	$0	$4,182	4.990%	$16,693	$345,939	$0	$421,421	$75,357
17	89	$0	$0	$4,450	4.990%	$17,765	$368,154	$0	$438,278	$69,999
18	90	$0	$0	$4,736	4.990%	$18,905	$391,795	$0	$455,809	$63,889
19	91	$0	$0	$5,040	4.990%	$20,120	$416,954	$0	$474,041	$56,962
20	92	$0	$0	$5,364	4.990%	$21,412	$443,730	$0	$493,003	$49,148
21	93	$0	$0	$5,708	4.990%	$22,786	$472,224	$0	$512,723	$40,374
22	94	$0	$0	$6,075	4.990%	$24,250	$502,548	$0	$533,232	$30,558
23	95	$0	$0	$6,465	4.990%	$25,807	$534,820	$0	$554,561	$19,616
24	96	$0	$0	$6,880	4.990%	$27,464	$569,164	$0	$576,743	$7,454
25	97	$0	$0	$7,322	4.990%	$29,228	$605,713	$0	$599,813	$0
26	98	$0	$0	$7,792	4.990%	$31,105	$644,610	$0	$623,806	$0
27	99	$0	$0	$8,292	4.990%	$33,102	$686,004	$0	$648,758	$0

Carroll Dalton

Date

Truth In Lending Disclosure

Security Sample

You are not required to complete this agreement merely because you have received these disclosures or signed a loan application.

ANNUAL PERCENTAGE RATE* The cost of your credit as a yearly rate.	FINANCE CHARGE The dollar amount the credit will cost	Amount Financed The amount of credit provided to you or on your behalf.	Total of Payments The amount you will have paid after you have made all payments as scheduled.
6.496% e	$160,377.62 e	$126,766.00 e	$287,143.62 e

Interest Rate and Payment Summary:

	Rate & Payment
Interest Rate	4.990%
Principal + Interest Payment + Mortgage Insurance	$287,143.62 e
Total Est. Payment	**$287,143.62 e**

There is no guarantee that you will be able to refinance to lower your rate and payments.

Demand: This obligation has a demand feature.

Property Insurance: You may obtain property insurance from anyone you want that is acceptable to Security 1 Lending

Security: You are giving a security interest in real property located at

Prepayment: If you pay off all or part of the loan early, you will not have to pay a penalty, and will not be entitled to a refund of any finance charge.

Assumption: Someone buying your home cannot assume the remainder of the mortgage.

See your contract documents for any additional information about nonpayment, default, and any required repayment in full before or after the scheduled date.

e means an estimate

* This disclosure assumes full repayment of the amounts advanced plus all accrued finance charges, although the amount you may be required to pay is limited by your loan documents.

** This disclosure assumes that your loan will be paid off upon the occurrence of a particular maturity event which date is estimated to be 7/4/9999. This date is based on an estimated life expectancy of the youngest borrower (estimated by using actuarial tables). However, your loan will be due and payable upon the first to occur of any of the maturity or default events as specified in your loan documents.

Carroll Sample

Date

Reverse Mortgage Comparison

From:

Estimates For: Carroll Sample Date Of Birth: 11/18/9999
9999 Blazmore Lane
Upper Marlboro, MD 20774

Closing Date:

Rates and Fees	CD Fixed 4.99	CD Fixed 5.06	CD Libor 225
Margin	**N/A**	N/A	2.250%
Initial Interest Rate	**4.990%**	5.060%	2.402%
Expected Interest Rate	**4.990%**	5.060%	4.950%
Ongoing Mortgage Insurance Rate	**1.25%**	1.25%	1.25%
Cap on Interest Rate	**4.990%**	5.060%	12.402%
Initial Line of Credit Growth	**N/A**	N/A	3.652%

Calculation

Home Value	**$225,000.00**	$225,000.00	$225,000.00
Maximum Claim Amount	**$225,000.00**	$225,000.00	$225,000.00
Principal Limit	**$130,275.00**	$130,275.00	$130,275.00
- IMIP	**$2,625.00**	$2,625.00	$2,625.00
- Origination Fee	**-$2,250.00**	-$2,812.50	$4,250.00
- Other Costs	**$2,395.25**	$2,395.25	$2,395.25
+ Credits	**$0.00**	$0.00	$0.00
Remaining Principal Limit	**$127,504.75**	$128,067.25	$121,004.75
- Liens and Mortgages	**$112,000.00**	$112,000.00	$112,000.00
- Repair Set Aside	**$0.00**	$0.00	$0.00
- 1st Year Tax and Insurance Set Aside	**$0.00**	$0.00	$0.00
Total Mandatory Obligations	**$114,770.25**	$114,207.75	$121,270.25
% of Principal Limit	**88.10%**	87.67%	93.09%
Initial Disbursement Limit	**$127,797.75**	$127,235.25	$130,275.00
% of Principal Limit	**98.10%**	97.67%	100.00%
- Additional Tax and Insurance Set Aside	**$0.00**	$0.00	$0.00
Available Principal Limit	**$15,504.75**	$16,067.25	$9,004.75

Available Funds and Requested Payments

Max Available Cash at Closing	**$13,027.50**	$13,027.50	$9,004.75
Cash Request	**$13,027.50**	$13,027.50	$0.00
Total Line Of Credit	**N/A**	N/A	$9,004.75
Line Of Credit Available 1st Year	**$0.00**	$0.00	$9,004.75
Line Of Credit Available After 1st Year	**$0.00**	$0.00	$0.00
Available Monthly Tenure Payment 1st Year	**$0.00**	$0.00	$57.02
Monthly Payment 1st Year	**$0.00**	$0.00	$0.00
Available Monthly Tenure Payment	**$0.00**	$0.00	$57.02
Monthly Payment Request	**N/A**	N/A	$0.00
Initial Loan Balance	**$127,797.75**	$127,235.25	$121,270.25
Unavailable Principal Limit	**$2,477.25**	$3,039.75	$0.00

The above numbers are calculated based upon the specified interest rates and the estimated closing date noted above. Changes in interest rates and/or changes in actual closing dates may cause the amounts available to be higher or lower than stated.

Carroll Sample

Date

Settlement Service Provider List

Borrower Name(s): **Carroll Sample**
Loan Originator: **Security Sample**
Property Address:

The Good Faith Estimate (GFE) that you received from the loan originator identifes the required settlement services that you are allowed to shop for and select the certain third party settlement services provider. Because of this, the Real Estate Settlement Procedures Act, (RESPA), requires that all borrowers be presented with a Settlement Service Provider List simultaneously with the disclosure of the Good Faith Estimate. This Settlement Service Provider List identifies providers who offer the required settlement services that you can shop for.

You are not required to use the providers presented on this list. In addition, some of the providers presented on this list may be affiliated businesses of the lender and you should consult the Affiliated Business Arrangement Disclosure for more information.

Description	Service Provider
HECM counseling fee	See attached list of counselors
Settlement or closing fee	Premier Reverse Closings
Owner's title insurance	Premier Reverse Closings
Lender's title insurance	Premier Reverse Closings
Title endorsements	Premier Reverse Closings
Notary	Premier Reverse Closings
Recording charges mortgage	Premier Reverse Closings

I acknowledge receipt of the Settlement Service Provider List and attest that **Security 1 Lending** did not recommend, steer or direct me to a particular provider on the list.

Carroll Sample

Date

Required Providers

Set forth below is the estimated charge or range of charges for the settlement services of various third party service providers that we, as your lender, may require you to use, as a condition of your loan on this property, to represent our interests in the transaction:

Estimated Charge	Provider	Nature of Relationship
550.00		
$475.00		
14.50		
6.75		
125		
$2,625.00		

ACKNOWLEDGEMENT

I/We have read this disclosure form and understand that Security Sample is allowed to require the use of the above listed third party service providers chosen to represent their interest in this transaction.

Carroll Sample

Date

Date

Borrower's Certification and Authorization

Borrower(s): **Carroll Sample**

Property Address: **9999 Blazmore Lane, Upper Marlboro, Maryland 20774**

The undersigned certify the following:

1. I/We have applied for a mortgage loan from Security Sample. In applying for the loan, I/we completed a loan application containing various information on the purpose of the loan, the amount and source of the down payment, employment and income information, and the assets and liabilities. I/We certify that all of the information is true and complete. I/We made no misrepresentations in the loan application or other documents, nor did I/we omit any pertinent information.

2. I/We fully understand that it is a Federal crime punishable by fine or imprisonment, or both, to knowingly make any false statements when applying for this mortgage, as applicable under the provisions of Title 18, United States Code, Section 1014.

Authorization to Release Information

To Whom It May Concern:

1. I/We have applied for a mortgage loan from Security Sample. As part of the application process, Security 1 Lending and the mortgage guaranty insurer (if any), may verify information contained in my/our loan application and in other documents required in connection with the loan, either before the loan is closed or as part of its quality control program.

2. I/We authorize you to provide to Security Sample, and to any investor to whom Security Sample may sell my mortgage, and to the mortgage guaranty insurer (if any), any and all information and documentation that they request. Such information includes, but is not limited to, employment history and income; bank, money market, and similar account balances; credit history; and copies of income tax returns.

3. Security Sample or any investor that purchases the mortgage, or the mortgage guaranty insurer (if any), may address this authorization to any party named in the loan application.

4. A copy of this authorization may be accepted as an original.

Carroll Sample

Date

Customer Identification Documentation
Patriot Act

The USA Patriot Act requires all financial institutions to obtain, verify and record information that identifies every customer. Completion of this documentation is required in order to comply with the USA Patriot Act. A completed copy of this information must be retained with the loan file.

Application Number:

Name of Applicant: **Carroll Sample**

Social Security #: Date of Birth:

Present Address:

Mailing Address:

Primary Identification Documentation:

Document Type: ____________________ Other Document Type: ____________________

Document Number: ____________________

Issue Date: ____________________ Expiration Date: ____________________

Issued by: ____________________

Secondary Identification Documentation:

Document Type: ____________________ Other Document Type: ____________________

Document Number: ____________________

Issue Date: ____________________ Expiration Date: ____________________

Issued by: ____________________

Discrepancies and Resolution

Completed by: ____________________

Alternative Contact

Alternative Contact

The person(s) listed below may be contacted in the event that **Security 1 Lending**, its employees and/or designated agent cannot reach the borrower(s) by phone or mail:

Person: ______________________ Home Phone: ______________________

Relationship: ______________________ Business Phone: ______________________

Address: ______________________ Mobile Phone: ______________________

______________________ Email: ______________________

Person: Home Phone:

Relationship: Business Phone:

Address: Mobile Phone:

Email:

Carroll Sample Date

Borrower Name(s): **Carroll Sample**

Lender:

Property Address:

Date:

Agreement to Pay Courier Fees

I/we acknowledge that I/we will be responsible for any courier/overnight fees incurred for the purpose of closing my/our Reverse Mortgage.

I/we understand that overnight service is required for the closing documents to be delivered from ReverseVision, Inc. to the Closing Agent and to send the payoff to any lien holder, if necessary.

I/we agree to this fee prior to the closing in order that the fee may be financed into the loan.

Appraisal Fee

I/We acknowledge that the fee for the appraisal is an expense incurred for the purpose of obtaining the loan for which I/We are applying. This fee is not refundable once the expense has been incurred except when the applicant chooses, after closing, to exercise the 3-day right of rescission provided to him by law. I/We are responsible for any actual fees incurred for the purpose of closing my/our reverse mortgage. This would only apply should I/We withdraw our application prior to closing and only for actual fees incurred.

Customer Identification Notice

The USA Patriot Act, a federal law, requires all financial institutions to obtain sufficient information to verify your identity when creating a new reverse mortgage relationship. You may be asked several questions including your name, address, and date of birth, and to provide one of more forms of identification to fulfill this requirement. In some instances, we require other identifying documents and/or use a third party information provider for verification purposes. Of course, our established Privacy Policy helps us protect your personal information.

Occupancy Statement

This is to certify that I/We ___________ do __________ do not intend to occupy the subject property as my/our principal residence. I/We hereby certify under penalty of U.S. Criminal Code Section 1010 Title 18 U.S.C., that the above statment submitted for the purpose of obtaining mortgage insurance under the National Housing Act is true and correct.

Flood Insurance Notification

I/We hereby acknowledge that we have been advised of the Flood Disaster Protection Act of 1973 and the requirements that I/We provide such insurance coverage on any property located within an area designated as a Flood Hazard Area.

We are required to inform you if the real property used to secure this loan request is located in an area designated by the Federal Emergency Management Agency (FEMA) as having special flood hazards. The law requires that flood insurance must be purchased at the loan origination or at any time during the term of your loan, if any portion of a building on the property is determined to be located in a designated special flood hazard area.

Should the subject property fall within a flood hazard area as defined in the Act, then I/We authorize the Lender, its successors and/or assigns to purchase such insurance and I/We further agree to pay promptly the cost thereof.

Personal Liability

Title borrower is hereby notified that he/she shall have no personal liability for payment of this debt. The lender or the company may enforce this debt only through the sale of the property.

Second Lien Notice

This Notice is to advise you that there are consequences when placing a second lien on the property you are financing. The borrower(s) must remove or subordinate any junior liens. If the borrower has placed liens on the property that can not be paid off or subordinated, any payments to the borrower under the mortgage must stop.

Credit Reporting Notification

The Lender may obtain a consumer credit report from a consumer reporting agency in connection with your application for credit. The Lender may also obtain a consumer credit report in connection with any update, renewal or subsequent extension of credit for which you may apply. The Lender will furnish a copy of your application and the consumer credit report that we have obtained to our affiliate companies.

You may revoke this authorization to release credit report information to our affiliates at any time before such release is made by calling the Lender's Quality Assurance Department at **866-999-9999** between the hours of 9:00 a.m. and 5:00 p.m.

Notice of Right to Receive a Copy of the Appraisal Report

We may order an appraisal to determine your property's value and charge you for this appraisal. We will promptly give you a copy of any appraisal, even if your loan does not close. You can pay for an additional appraisal for your own use at your own cost.

Please call 866-999-9999 if you wish to leave a name and the address to which a copy of the appraisal should be sent.

Anti-Coercion Statement

Federal regulation states that the Lender may not require the Borrower to take insurance through any particular insurance agent or company to protect the mortgaged property. The Borrower has the right to have the insurance placed with an insurance agency or company of his or her choice, provided such Agency meets the requirements of the Lender. The Lender has the right to designate reasonable financial and experience requirements as to the Company and adequacy of the coverage.

Tax and Insurance Disclosure

I/We understand that the payment of taxes and hazard insurance premiums (Property Chargesfl) on a timely basis is a condition of maintaining the reverse mortgage. I also understand that I can have my lender pay the Property Charges out of loan proceeds upon request. Depending upon the payment plan that I/we select, these Property Charges will be paid: (1) out of a set aside established at closing, (2) with Loan Advances, or (3) by withholding part of my Tenure Payment each month.

Should I/we fail to make timely payments of Property Charges, the lender may use any available line of credit to pay these charges if no loan funds are available, and I/we refuse to pay the Property Charges, I/we understand that I/we will be in default and the lender may use any available remedies to the deficiency.

☐ I/We authorize my/our lender to pay the Property Charges from my/our loan proceeds.

☐ Taxes ☐ Insurance ☐ Both ______ of Years Set Aside

☒ **I/We decline authorization for my/our lender to pay the Property Charges and agree to pay these charges from my/our own funds.**

Joint Application

The Equal Credit Opportunity Act requires that **Security Sample** determine your intent to apply for joint credit. Please indicate below whether the reverse mortgage loan application which you have submitted to us is an application for joint credit.

☐ Yes ☒ No

Bankruptcy Statement

I/We hereby certify and acknowledge that I/We am/are not presently involved in a pending bankruptcy proceeding. I/We further acknowledge that I/We do not intend to commence a bankruptcy proceeding within one year of my obtaining this loan. I/We further understand and acknowledge that should I/We file bankruptcy relief during the term of this loan, that **Security Sample** may suspend all future disbursements on the loan and otherwise challenge my right to discharge the obligations arising thereunder.

I/We hereby certify that no employee of **Security Sample**, any employee of a **Security Sample** or approved correspondent has discussed or counseled me regarding the issue of bankruptcy prior to my execution hereof.

Equal Credit Opportunity Act Notice

The Federal Equal Credit Opportunity Act prohibits creditors from discriminating against applicants: on the basis of race, color, religion, national origin, sex, marital status, age (provided that the applicant has the capacity to enter into a binding contract); because all or part of the applicant's income derives from any public assistance program; or because the applicant has in good faith exercised any right under the Consumer Credit Protection Act. The Federal Agency that administers compliance with this Federal Law by the Lender is: Federal Trade Commission, Equal Credit Opportunity, Washington, DC 20580.

Fair Credit Reporting Act Notice

An investigation will be made as to the credit standing of all individuals seeking credit in this application. The nature and scope of any investigation will be furnished to you upon written request made within a reasonable period of time. In the event of denied credit due to an unfavorable consumer report, you will be advised of the identity of the Consumer Reporting Agency making such report and of your right to request within sixty (60) days the reason for the adverse action, pursuant to Section 615(b) of the Fair Credit Reporting Act.

Government Loans

RIGHT TO FINANCIAL PRIVACY ACT OF 1978 - This is a notice to you as required by the Right to Financial Privacy Act of 1978, that the Department of Housing and Urban Development or Department of Veterans Affairs has a right to access financial reports held by a financial institution in connection with the consideration of administration of assistance to you. Financial records involving your transaction will be available to the Department of Housing and Urban Development or Department of Veterans Affairs without further notice or authorization but will not be disclosed or released to another Government Agency or Department without consent except at required or permitted by law .

Fixed Rate Home Equity Conversion Mortgage (HECM) Acknowledgement

If my Reverse Mortgage Consultant presented me with an option for a Fixed Rate HECM loan, I understand that interest rate used in that option is only available if I receive all of the loan's proceeds as a lump sum at closing. If I want an option for a Fixed Rate HECM with any other payment plan, I understand I must specifically request that option and that the interest rate for that option will be much higher than the interest rate for a lump sum payment plan.

If I selected the Fixed Rate HECM as the interest rate option for my loan, I agree to accept the proceeds of my loan in a lump sum at closing. I understand that I will not have a line of credit or tenure or term monthly payments established at the closing of my loan and that I will only receive a lump sum payment at closing.

I certify that I have read and fully understand the notices in this document, including the notices regarding courier fees, appraisal fees, the U.S.A. Patriot Act, occupancy of our property, flood insurance, limits on our personal liability, HUD's second lien, obtaining a credit report, obtaining a copy of the appraisal, taxes and insurance, our joint application, bankruptcy, the Equal Credit Reporting Act, fair credit reporting, our right to financial privacy, and the notice regarding fixed rate loans if applicable.

Carroll Sample

Date

Lead Based Paint Certification for Property Built Before 1978

(To Be Completed By All Owner-Occupant Borrowers)

Borrower(s): **Carroll Sample**

Address:

Check only one of the following:

_____ The subject property was built **before** 1978

__X__ The subject property was built **after** 1978

If your home was built before 1978, complete the following, as appropriate:

_____ I/We **do not** have a child(ren) under the age of seven residing in the subject property.

_____ I/We **do** have a child(ren) under the age of seven residing in the subject property.

For properties built before 1978, where children under the age of seven reside in the property, the borrower must comply with the Lead-based Paint Poisoning Prevention Act (LPPPA) requirements.

Carroll Sample	Date

Home Equity Conversion Mortgage Consumer Protection Measures Against Excessive Fees

To ensure that our borrowers do not pay unnecessary or excessive fees for obtaining a Home Equity Conversion Mortgage (“HECM”) loan, Federal law restricts the use of HECM loan proceeds, including prohibiting the use of such for payments to or on behalf of an “estate planning service firm” (defined in paragraph 3 below). Further, your lender must be assured that the HECM loan proceeds will be used in accordance with the law.

1. Subject to the Initial Disbursement Limit, the initial disbursement of the loan proceeds may be used for the following:
   a. The initial FHA mortgage insurance premium;
   b. Allowable fees and charges listed on the HUD-1 (or HUD-1A) Settlement Statement;
   c. Disbursement to you directly, a relative or legal representative of yours or a trustee for your benefit;
   d. Amount required to discharge any existing lien on the property;
   e. Payments to contractors who performed repairs to the property required as a condition of closing.
   f. Loan Advances may also be used to purchase a principal residence (*HECM for Purchase transactions only)

2. After the initial disbursement of your loan proceeds for those purposes above, no outstanding or unpaid obligations may remain in connection with your HECM loan, except for required repairs to the Property to be completed after loan closing and for monthly mortgage servicing fees to the lender or servicer. No portion of the initial disbursement of loan proceeds may be used for any payment to or on behalf of an “estate planning service firm. ”

3. An “estate planning service firm” is an entity, other than your lender or the housing counseling agency, which charges a fee not authorized by the Department of Housing and Urban Development, which is: (1) Contingent on the homeowner obtaining a mortgage loan; (2) For initial information that the homeowner must, by regulation, receive from the housing counseling agency or lender, except for information from an individual or company engaged in the bona fide business of providing tax or other legal or financial advice; or (3) for services for the purpose of improving an elderly homeowner’s access to HECM loans.

4. In addition, should you receive a lump sum disbursement of HECM loan proceeds equal to or exceeding 25% of the Net Principal Limit for your loan, you will be required to certify whether or not those funds will be used for payments to or on behalf of an “estate planning service firm” and, if yes, that such payment is prohibited by Federal law.

I certify that I have received full disclosure of all the costs of obtaining the HECM loan, including disclosure of which charges are required to obtain the HECM loan and which are not required to obtain the HECM loan.

Carroll Sample

Date

Reverse Mortgage Advisor Disclosure

I/We have been encouraged to consult a trusted advisor, such as an Attorney, Accountant, Banker, Relative, or Friend to assist Me/Us in My/Our decision to obtain a Reverse Mortgage. I/We understand that any fees for advice and counsel are at My/Our own expense.

I/We acknowledge the above and have either consulted with the following trusted advisors or have chosen not to do so. Please check the appropriate box and complete the requested information.

_____ **Yes, I/We sought the advice from the following advisor(s)**

Name: ______________________________

Phone: ______________________________

Street Address: ______________________________

City/State/Zip: ______________________________

Type of Advisor: ______________________________

Name: ______________________________

Phone: ______________________________

Street Address: ______________________________

City/State/Zip: ______________________________

Type of Advisor: ______________________________

_____ **No, I/We have chosen NOT to seek advice**

I/We hereby certify that I have read and understand the Notices set forth above

______________________________ ______________
Carroll Date

______________________________ ______________
Loan Officer Date

Home Equity Conversion Mortgage(HECM) Anti-Churning Disclosure

U.S Department of Housing and Urban Development
Office of Housing

OMB Approval No.
(expires

Privacy Act Notice: The United States Department of Housing and Urban Development, Federal Housing Administration, is authorized to solicit the information requested in the form by virtue of Title 12, United States Code, Section 1701 et seq., and regulations promulgated thereunder at Title 12, Code of Federal Regulations. While no assurance of confidentiality is pledged to respondentss, HUD generally discloses this data only in response to a Freedom of Information Act request.

NOTICE TO THE BORROWER

In accordance with Section 255 of the National Housing Act, lenders must provide homeowners seeking to refinance a HECM with information on the total cost of the new mortgage, based on the projected total future loan balance. The lender must disclose all fees and charges associated with the refinance of the HECM, provide the borrower with the new maximum mortgage limit, and estimate the new funding that will be available to the borrower.

This disclosure is designed to prevent "churning," an irresponsible lending practice whereby lenders engage in multiple refinancing to generate additional profit from loan fees and charges.The "churned" mortgages are not made in the interest of the borrower and provide no financial benefit to the borrower.

To ensure that lenders do not encourage HECM borrowers who would not benefit from refinancing their existing HECM mortgage to pursue this type of transaction, the Federal Housing Administration(FHA) requires that lenders provide HECM borrowers with their best estimate of:

1. The total cost of the refinancing to the mortgagor.	**Mortgagee to input:** $ amount of the total of the upfront MIP plus other closing cost plus servicing set-aside.	**MIP:** **Other:** **Set-aside:**	**2,625.00** **270.25** **0.00**
		Total	**2,895.25**
2.The increase in the mortgagor's principal limit, as measured by the estimated initial principal limit on the mortgage to be insured less the current principal limit on the HECM that is being refinanced.	**Mortgagee to input:** $ amount of new principal limit minus the $ amount of the existing HECM principal limit.	**NewPL** **ExistingPL**	**130,275.00** **112,051.00**
		Increase	**18,224.00**

In addition the mortgagee shall provide their best estimate of funds available to the borrower minus any closing costs or other fees. It is the dollar amount of the new principal limit minus total dollar amount from block #1 above minus payoff amount for the HECM that is to be refinanced. **15,379.75**

Any FHA approved lenders found to be engaged in mortgage "churning" will be subject to administrative action by the Mortgagee Review Board in accordance with 24 CFR part 25.

FHA Case Number:

Subject Property Address:

Lender's Signature:

I, the borrower, have been provided with the lender's best estimate of the total cost of refinancing my HECM mortgage and the new principal limit. I understand the amount of new funding that will be available to me after I have paid closing costs and other fees to obtain this new loan.

Borrower Name(s): (print or type) Carroll Sample

Borrower's Signature:

Servicing Transfer Disclosure Statement

NOTICE TO FIRST LIEN MORTGAGE LOAN APPLICANTS: THE RIGHT TO COLLECT YOUR MORTGAGE LOAN PAYMENTS MAY BE TRANSFERRED.

You are applying for a mortgage loan covered by the Real Estate Settlement Procedures Act (RESPA) (12 U.S.C. 2601 *et seq.*). RESPA gives you certain rights under Federal law. This statement describes whether the servicing for this loan may be transferred to a different loan servicer. "Servicing" refers to collecting your principal, interest, and escrow payments, if any, processing payment plan change requests as well as making payments to the borrower, sending any monthly or annual statements, tracking account balances, and handling other aspects of your loan. You will be given advance notice before a transfer occurs.

Servicing Transfer Information

The following is the best estimate of what will happen to the servicing of your mortgage loan:

[X] We may assign, sell or transfer the servicing of your loan while the loan is outstanding.

[ ] We do not service reverse mortgage loans of the type for which you applied. We intend to assign, sell or transfer the servicing of your reverse mortgage loan after we originate it. [Note that monthly payments are not required under your reverse mortgage.]

[ ] The loan for which you have applied will be serviced at this financial institution and we do not intend to sell, transfer, or assign the servicing of the loan.

ACKNOWLEDGEMENT OF MORTGAGE LOAN APPLICANT

I/we have read this disclosure form, and understand its contents, as evidenced by my/our signature(s) below.

Carroll Sample

Date

INFORMATION REGARDING INTENT TO PURCHASE AN ANNUITY

PLEASE ANSWER THE QUESTIONS BELOW:

- Are you considering purchasing an annuity with the proceeds of your reverse mortgage loan?

☐ Yes ☐ No

IF THE ANSWER ABOVE IS "YES" PLEASE COMPLETE THE FOLLOWING:

- Name of Annuity Provider: ______________________
- Phone Number of Annuity Provider: ______________________
- Amount of Annuity Premium: ______________________
- Amount of Annuity Payment: ______________________
- Date of First Annuity Payment to You: ______________________
- Is Annuity? ☐ Fixed ☐ Variable ______________________
- Does the Annuity have a Period Certain? If so, what is Period? ______________________
- Cash Value of Annuity, if any? ______________________
- Number of Months Rate is Guaranteed? ______________________

______________________ ______________________
Carroll Sample Date

Third Party Fees and Annuity Disclosure

To ensure that Borrowers do not pay unnecessary or excessive costs for obtaining a Home Equity Conversion Mortgage (“HECM”) loan, Federal law restricts the use of HECM proceeds, including prohibiting the use of such for payments to or on behalf of an “estate planning service firm” (as defined in Paragraph 3 below). Further, HECM Borrowers must establish to the Lender that HECM loan proceeds will be used in accordance with the law.

The Borrower(s) certifies to the Lender, and its successors and assigns:

1. The initial disbursement of loan proceeds by the Lender shall be used only for the following purposes:
    - The initial FHA mortgage insurance premium;
    - Allowable fees and charges listed on the HUD-1 (or HUD-1A) Settlement Statement;
    - Disbursements to Borrower(s), a relative or legal representative of the Borrower(s), or a trustee for the benefit of the Borrower(s);
    - Amounts required to discharge any existing lien on the Property;
    - Payment to contractors who performed repairs to the Property required as a condition of closing
    - Loan Advances my also be used to purchase a principal residence (*HECM for Purchase transactions only)

2. After the initial disbursement of loan proceeds for the purposes listed in Paragraph 1 above, borrower(s) will have no outstanding or unpaid obligations incurred in connection with the HECM loan, except for required repairs to the Property to be completed after loan closing and for monthly mortgage servicing fees to the Lender or Servicer.

3. No portion of the initial disbursement of loan proceeds shall be used for any payment to or on behalf of an “estate planning service firm.” [An “estate planning service firm” is an entity, other than the Lender or the Housing Counseling Agency, which charges a fee not authorized by the Department of Housing and Urban Development, which is 1) contingent on the homeowner obtaining a mortgage loan; 2) for initial information that the homeowner must, by regulation, receive from the Housing Counseling Agency or Lender, except for information from an individual or company engaged in the bona fide business of providing tax or other legal or financial advice; or 3) for services for the purpose of improving an elderly homeowners’ access to HECM loans.]

4. Should you receive, at closing, a lump sum disbursement of HECM loan proceeds equal to or exceeding 25% of the Net Principal Limit for your loan, you will be required to certify whether or not those funds will be used for payments to or on behalf of an estate planning service firm. If payments are intended to be used for payments to or on behalf of an estate planning service firm, federal law prohibits such payment.

5. Borrower(s) has received full disclosure of all costs of obtaining the HECM loan, including disclosure of which charges are required to obtain the HECM loan and which are not required to obtain the HECM loan.

____________________	____________
Carroll Sample	Date

Reverse Mortgage Repair Acknowledgment
Frequently Asked Questions

This certification explains the handling of property repairs that may be required for a reverse mortgage transaction.

1. **How are required repairs determined?**
   Repairs may be required as a result of the property appraisal and/or termite inspection report. Your loan officer will inform you of required repairs prior to closing.

2. **Who pays for repairs?**
   Repair costs are paid from the reverse mortgage proceeds, either at closing, if completed prior to closing, or from a repair escrow account ("set-aside") if completed after closing.

3. **How are the cost and/or amount of set aside determined?**
   A contractor's bid is required to estimate the funds needed to create the set aside account. A compliance inspection fee of $100 for each inspection estimated to be needed is also included in the repair set aside funds. The contractor should be licensed in the State(s) in which they operate (in accordance with applicable State requirements). Electricians and plumbers are always required to be licensed.

   Additionally, a non-refundable repair administration fee is charged equal to the greater of $50.00 or one and one half-percent of the amount advanced for repairs.

Bid Amount	Formula	Minimum Balance
< $500	Not Allowed. Repairs < $500 are to be completed prior to closing	N/A
> $501 - (after 1.5 or 2X gross up)	Contractor's Bid Amount multiplied by 1.5X OR (150%). **OR** Appraiser estimates to be multiplied by 2X OR (200%).	$501 - up to a total of 15% of Max Claim

4. **Who does the repairs?**
   It is the borrower's responsibility to find and hire a contractor and provide contractor bids prior to closing. This company is not affiliated with any contractor or service company and does not endorse or recommend any contractor or service company.

5. **When are the repairs done?**
   Whenever possible, repairs should be completed prior to closing. When repairs cannot be completed prior to closing, and when approved by the underwriter, some repairs may be completed after closing.

   All repairs resulting from the appraisal and termite inspection must be completed within six months of closing. If repairs are not completed within six months (HECM loan) or one year, (Home Keeper loan), other funds from the reverse mortgage line of credit may be frozen until the repairs have been completed.

   NOTE: *When the structural integrity of the home is questioned, related inspections and repairs must be done prior to closing. A structural engineer's report or related inspections may be required. Some of the repairs may have to be completed prior to closing at the underwriter's discretion.*

6. **Who has the repair money and how do I get it?**
   Funds are held at Security Sample's headquarters in the Reverse Mortgage Servicing Repair Administration Department, which can be reached at 866-999-9999. Speak with the staff in this department about payment for work done as well as about questions or problems related to repairs. MD requires that funds be held by the Title Company.

7. **What about funds remaining after repairs are completed?**
   Once repairs have been completed, a final inspection is performed and the contractors are paid, remaining funds in the repair set-aside are transferred to the reverse mortgage line of credit and the borrower is informed that this sum is available to be drawn.

8. **May I have additional work done beyond the required repairs?**
   You may have additional work done, but it will not be handled through the repair escrow account. Additional work is completely independent of required repairs and must be handled separately by the borrower. Contractor bids for additional work must be separate from required repairs, and costs must be paid from personal funds or the reverse mortgage line of credit. Security Sample has no involvement with the completion of additional repairs.

I/we acknowledge that I/we have read and understand the above information.

Carroll Sample	Date

Ownership Interest Certification

Subject Property: **9999 Blazmore Lane, Upper Marlboro, Maryland 20774**

If you have an ownership interest in the above referenced property *but will not* be a borrower under the proposed reverse mortgage, you need to be aware of the following:

Security Sample does not recommend or require any changes to the ownership of real property as a condition to making a reverse mortgage loan. However, the reverse mortgage program insured by the Secretary of Housing and Urban Development (HUD) has certain restrictions that prevent some property owners from being eligible borrowers. These restrictions also prohibit an individual from holding an ownership interest in the property if they are not an eligible borrower.

As a result of these restrictions, any non-eligible owners will be required to relinquish their ownership interest in the property. By relinquishing your ownership interest, you are affecting your legal rights. Security Sample strongly suggests that you consult with your financial and/or legal advisor(s) to determine if this reverse mortgage loan is in your best interest.

If you continue to reside in the property after divestiture and the borrower predeceases you or no longer occupies the property as their primary residence, the reverse mortgage will become due and payable. Typically, the borrower's estate must pay off the reverse mortgage through the proceeds of the sale of the property or through a refinance into a new mortgage.

I hereby certify that I have received and read this disclosure. I understand and agree that Security Sample has made no representations regarding my legal rights, but has strongly suggested that I seek legal advice before signing this or any other document associated with the reverse mortgage loan.

Non-Borrowing Resident — Date

Loan Originator — Date

Carroll Sample — Date

Important Notice to Non-Borrowing Spouse or Resident

RE: Property Address: **9999 Blazmore Lane Upper**
Marlboro, Maryland 20774

If you are a non-borrowing spouse or resident and currently reside or plan to reside in the above-referenced property, you should be aware of the following possible circumstances:

> If the borrowing spouse or resident predeceases you or otherwise no longer occupies the property as their primary residence, the reverse mortgage will become due and payable.
>
> Repayment of the existing reverse mortgage is typically made through the proceeds of the sale of the property or through a refinance into a new mortgage.

I have read the information above and understand the possible consequences of being a non-borrowing spouse or resident.

______________________________	______________________________
Non-Borrowing Resident	**Date**
______________________________	______________________________
Loan Officer	**Date**
______________________________	______________________________
Carroll Sample	Date

Social Security Administration

Form Approved
OMB No. 0960-0760

Authorization for the Social Security Administration (SSA) To Release Social Security Number (SSN) Verification

Printed Name:	Date of Birth:	Social Security Number:
Carroll Sample		

I want this information released because I am conducting the following business transaction:

Seeking a reverse mortgage

Reason (s) for using CBSV: (Please select all that apply)

- [X] Mortgage Service
- [ ] Banking Service
- [ ] Background Check
- [ ] License Requirement
- [ ] Credit Check
- [ ] Other

with the following company ("the Company"):

Company Name: **Security Sample**

Company Address:

I authorize the Social Security Administration to verify my name and SSN to the Company and/or the Company's Agent, if applicable, for the purpose I identified.

The name and address of the Company's Agent is:

I am the individual to whom the Social Security number was issued or the parent or legal guardian of a minor, or the legal guardian of a legally incompetent adult. I declare and affirm under the penalty of perjury that the information contained herein is true and correct. I acknowledge that if I make any representation that I know is false to obtain information from Social Security records, I could be found guilty of a misdemeanor and fined up to $5,000.

This consent is valid only for 90 days from the date signed, unless indicated otherwise by the individual named above. If you wish to change this timeframe, fill in the following:

This consent is valid for __________ days from the date signed. __________(Please initial.)

Signature ____________________ Date Signed ____________________

Relationship (if not the individual to whom the SSN was issued): ____________________

Contact information of individual signing authorization: ____________________

Address ____________________

City/State/Zip ____________________

Phone Number ____________________

Privacy Act Statement

SSA is authorized to collect the information on this form under Sections 205 and 1106 of the Social Security Act and the Privacy Act of 1974 (5 U.S.C. § 552a). We need this information to provide the verification of your name and SSN to the Company and/or the Company's Agent named on this form. Giving us this information is voluntary. However, we cannot honor your request to release this information without your consent. SSA may also use the information we collect on this form for such purposes authorized by law, including to ensure the Company and/or Company's Agent's appropriate use of the SSN verification service.

Paperwork Reduction Act Statement - This information collection meets the requirements of 44 U. S.C. § 3507, as amended by section 2 of the Paperwork Reduction Act of 1995. You do not need to answer these questions unless we display a valid Office of Management and Budget control number. We estimate that it will take about 3 minutes to complete the form. You may send comments on our time estimate above to: SSA, . **Send to this address only comments relating to our time estimate, not the completed form.**

TEAR OFF

NOTICE TO NUMBER H

The Company and/or its Agent have entered into an agreement with SSA that, among other things, includes restrictions on the further use and disclosure of SSA's verification of your SSN. To view a copy of the entire model agreement, visit ...

Acknowledgement for Electronic Communication

Borrower Name(s): **Carroll Sample**

Lender: **Security Sample**

Property Address:

Date:

By an affirmative response to the Lender's email, and/or written acknowledgement of this notice, you hereby consent to the exchange of information via electronic mail or other electronic means of communication, as needed, to gather, collect or request information related to your loan processing, closing, and servicing. The electronic exchange of such information may include, but is not limited to, applicant's name, application or loan number, property address and loan application status, as well as questions, disclosures and/or documents related to the loan application, approval or closing process. Please note that, as a routine business practice, we communicate with third parties that provide information and/or services necessary to the processing, closing and servicing of your loan. Therefore, this may also include electronic exchange of information to and/or from your builder, seller or real estate agent, appraisers, credit reporting agencies and title company or closing attorneys.

By signing below, the Applicant(s) acknowledge and consent to electronic exchange of communication as outlined above.

Email: ______________________________ ______________________________

Carroll Sample Date

Right to Receive a Copy of an Appraisal

Borrower Name(s): **Carroll Sample**

Originator: **Security Sample 3**

Property Address:

Date:

You are entitled to receive a copy of you written property appraisal report no later than three business days prior to the closing of your mortgage loan transaction. If you do not receive a copy of your appraisal report at least three business days prior to the loan closing date, you will be required to postpone your closing for at least three business days from the date you receive the appraisal. You will be required to pay for the appraisal of your property. The collection of the appraisal fee does not guarantee a loan approval and is not a commitment to lend.

Please select **one** of the following options:

____ I request that my appraisal be made available to me promptly upon completion via the email address provided on the Acknowledgement of Electronic Communication disclosure. I understand I am required to have a minimum of three business days after receipt to review my appraisal report.

____ I request that my appraisal be made available to me promptly upon completion via USPS mail delivery. I understand I am required to have a minimum of three business days after receipt to review my appraisal report and there will be a three day delivery period for a total waiting period of six business days.

____ I hereby waive my rights to have a minimum of three business days after receipt to review my appraisal report. I request my appraisal be made to me at closing.

Note: We will give you a copy of your appraisal(s), even if your loan does not close.

ACKNOWLEDGEMENT

Carroll Sample

Date

Recognition of a Customer's Expectation of Privacy

We may be collecting from you certain nonpublic personal information - that is, information that is personally identifiable financial information that you provided to us as a result of a service we provided to you, or otherwise obtained from you in the course of a financial transaction. It is our pledge to you to maintain and use this information in accordance with the principles outlined in this policy.

What information will you be collecting from me?

We collect nonpublic personal information about you from the following sources:

- Information we receive from you on various forms, including loan applications. This may include your name, address, social security number, information about your income, accounts you hold, your occupation;
- Information relating to your transactions with us, our affiliated companies, or others, such as your account balances, payment history, and information about other parties to the transaction; and,
- Information we receive from outside sources, such as consumer reporting agencies, such as your credit history, and companies providing account verifications and employment histories.

Will you be sharing this information?

We will not share this information for marketing purposes with unaffiliated third parties and will only share the information as permitted by law.

Affiliates - This information may be shared with our affiliates - that is, a company that controls, is controlled by, or under common control with us. In most cases, sharing information will be related to processing your loan request with us.

Nonaffiliated third parties - Except as permitted by law, we do not disclose nonpublic personal information about our customers or former customers to nonaffiliated third parties - that is, a person or company that does NOT control, is NOT controlled by, or NOT under common control with us.

We may disclose all of the information we collect from you to companies that administer and service your accounts on our behalf - such as loan companies that service your loan on our behalf, hazard and flood insurance providers, credit reporting agencies, and other parties required to service and enforce your loan. We may also disclose to companies that acquire all or part of the rights under your note.

Is my information protected?

Yes, it is. No person or persons have access to nonpublic personal information about you, except for our employees, affiliates, or nonaffiliated third parties who need to know the information to provide services, directly or indirectly, or products to you. We maintain physical, electronic, and procedural safeguards that comply with federal standards to guard your nonpublic personal information.

Can I opt out of this sharing of information? And if so, how?

Opt out means a choice a person can make in certain cases to prevent a financial institution from sharing information about that person with others. Since we do not share your information with unaffiliated third parties for marketing purposes and only share it as permitted by law, you do not have a right to opt out.

Carroll Sample

Date

Lender's Home Equity Conversion Mortgage Lock Policy

Thank you for applying to participate in our Home Equity Conversion Mortgage (HECM) Loan Program. Whether you submitted your loan application directly to us, or through your mortgage broker, this Lock Policy disclosure describes the terms and conditions under which we will lock in the price of your loan and the Principal Limit of your loan. **Capitalized Terms** below are defined at the end of this disclosure.

HOW WE DETERMINE YOUR PRICE

Adjustable Rate: The origination fee, margin, and any applicable lender credit will determine your price if you select a HECM with a monthly adjusting rate feature.

Fixed Rate: The origination fee, interest rate, and any applicable lender credit will determine your price if you select a HECM with a fixed rate feature.

Both Adjustable Rate and Fixed Rate and: All HECM loans float until you request us to lock your price. This means that the price of the loan you applied for may not be the price of your loan when it closes.

HOW PRICE LOCK WORKS

We will lock the price of your loan on the date we prepare your loan documents. Your price lock will remain in effect until the earlier of (1) the date on your documents, (2) until a change in the application information, a change you request, or an error not caused by us requires us to prepare new loan documents, or (3) 5 business days from the date we lock the price of your loan. Your HECM loan must close within the above time period to receive this limited price lock protection against rising interest rates. If your HECM loan does not close within this time period, your price may increase. If we "re-lock" the price of your loan after the initial price lock expires, your price will equal the greater of the price at the time of application or when we re-lock the loan. If your Price increases, the maximum amount you may borrow under your HECM loan **may** reduce.

HOW WE CALCULATE YOUR PRINCIPAL LIMIT

FHA calls the amount of money you can borrow with a HECM loan the Principal Limit. We calculate the Principal Limit based on several factors, including (1) the age of the youngest borrower, (2) the Maximum Claim Amount, and (3) the Expected Interest Rate. Market interest rate changes before you request us to lock your loan price may increase your Expected Interest Rate and may also lower and the amount you can borrower with a HECM loan

HOW THE PRINCIPAL LIMIT LOCK PROTECTION WORKS

Adjustable Rate: We will select the Expected Interest Rate at the time FHA assigns your loan a Case Number (typically within a few days of your application), **or**, the Expected Interest Rate at the time of your price lock, whichever results in the greatest Principal Limit (the amount you can borrower with your HECM Loan). However, to receive this limited Principal Limit Lock protection against rising interest rates, your HECM loan must close within 120 days from the Case Number Assignment date.

Fixed Rate: **Principal Limit Lock protection is not offered on Fixed Rate HECM loans**. The Expected Interest Rate will be the same as the fixed interest rate on your loan.

DEFINITIONS:

<u>Expected Interest Rate</u>: For variable rate loans, the sum of the *Margin* and the *Expected Interest Rate Index*. We use the Expected Interest Rate to establish certain terms of your HECM loan, but it is not your initial interest rate. For fixed rate loans, the Expected Interest Rate equals the fixed interest rate.

Expected Interest Rate Index (Adjustable Rate HECM loans): The 10-Year LIBOR swap rate published Mondays (or the following business day if a holiday) in the Federal Reserve Board Statistical Release H.15 at http://www.federalreserve.gov/releases/h15/current.

Initial Interest Rate (Adjustable Rate HECM loans): The sum of the *Initial Interest Rate Margin and Initial Interest Rate Index*.

Initial Interest Rate Index (Adjustable Rate HECM loans): The average of interbank offered rates for one month U.S. Dollar-denominated deposits in the London market, commonly referred to as the one month "LIBOR" index, as published in the Wall Street Journal on the first business day of each week.

Lender Credit: Credit issued by the Lender to you at closing.

Margin: The number of interest percentage points added to the *Initial Interest Rate Index* to determine the *Initial Interest Rate*; the number of interest percentage points added to the *Expected Interest Rate Index* to determine the *Expected Interest Rate*.

Maximum Claim Amount: the lesser of the appraised value of the property or the HUD loan limit for your area.

Business Day: Monday through Saturday except federal holidays and any other day that the Lender is closed to the public for business.

Origination Fee: The fee for our lending services (limited by the Department of Housing and Urban Development or" HUD").

Principal Limit: The maximum amount you may borrow with you HECM Loan. If you finance the closing costs for your loan, the net amount of your proceeds will be less than the Principal Limit.

ACKNOWLEDGMENT

By signing below we, acknowledge receipt of this Lock Policy disclosure. We understand that if our HECM loan price lock expires or if we do not sign our loan documents within 120 days of the date FHA assigns a Case Number to our loan, we will not receive the benefits of the price lock or Principal Limit lock described in this disclosure.

____________________ __________

Carroll Sample Date

Reverse Mortgage Counseling Checklist

A reverse mortgage is a complex financial transaction. Before obtaining a reverse mortgage loan, you, the prospective borrower, should discuss the following issues with a reverse mortgage counseling agency:

_____ How unexpected medical or other events that cause the borrower to move out of the borrower's home earlier than anticipated will impact the total annual cost of the reverse mortgage loan;

_____ The extent to which the borrower's financial needs would be better met by options other than a reverse mortgage loan, including less costly home equity lines of credit, property tax deferral programs, or governmental aid programs;

_____Whether the borrower intends to use the proceeds of the reverse mortgage loan to purchase an annuity or other financial or insurance product and the consequences of doing so;

_____The effect of repayment of the reverse mortgage loan on other residents of the home securing the reverse mortgage loan after all borrowers have died or permanently left the home;

_____The borrower's ability to finance routine or catastrophic home repairs, especially if maintenance is a factor that may determine when the reverse mortgage loan becomes payable;

_____The impact that the reverse mortgage loan may have on the borrower's tax obligations and eligibility for government assistance programs, and the effect that losing equity in the home securing the reverse mortgage loan will have on the borrower's estate and heirs; and

_____ The ability of the borrower to finance alternative living accommodations, such as assisted living or long-term care, after the borrower's equity is depleted.

ACKNOWLEDGEMENT

I/We have read and acknowledge receiving a copy of this checklist.

Carroll Sample   Date

Maryland Right to Choose Attorney or Title Insurance Company

Borrower Name(s): **Carroll Sample**

Lender: **Security Sample**

Property Address:

Date:

The Lender imposes fees on borrower(s) for settlement services, or document review services, performed by a Lender-designated attorney, or requires the employment of a particular attorney or title insurance company as a condition of settlement.

You are entitled to select your own attorney or title insurance company to perform title search , examination of title, or closing if, **within 7 days after submitting an application for the loan**, you notify the Lender of the name and business address of the attorney or title insurance company you choose to perform these services. The Lender may reject the attorney or title insurance company of your choice for good cause within 7 days after the receipt of your notice.

The Lender will designate _________________________ (name of attorney or title insurance company) to perform these services if you do not notify the Lender of your choice of attorney or title insurance company, or if the Lender has good cause to reject the attorney or title insurance company of your choice.

A good faith estimate of the fees you will be charged for services performed by the attorney or title insurance company is $ _________.

I/We have read and understand this disclosure and acknowledge its receipt by signing below .

Carroll Sample	Date

STATE OF MARYLAND

COMMISSIONER OF FINANCIAL REGULATION

500 North Calvert Street, Suite 402
Baltimore, Maryland 21202

Net Tangible Benefit Worksheet

This Net Tangible Benefit Worksheet has been prescribed by the Commissioner of Financial Regulation in conformity with COMAR 09.03.06.20 and COMAR 09.03.09.04 (Duty of Care). Persons complying with these regulations shall use a form substantially similar to this form.

All information must be typed or printed.
This form shall be maintained in the broker/lender licensee's loan files pursuant to COMAR 09.03.06.04 "Records".

Name of Borrower(s): Carroll Sample

Mortgage Originator Name:					
Employer:	Security Sample				
MD License #:					
Business Address:					
City:	Houston	**State:**	TX	**Zip code:**	77069
Direct Tel#:		**Toll Free #:**			
Fax:		**Email:**			

Lender Name:					
MD License #:					
Business Address:					
City:		**State:**	TX	**Zip code:**	77373
Direct Tel#:		**Toll Free #:**			
Fax:		**Email:**			

Broker Name:					
MD License #:					
Business Address:					
City:		**State:**		**Zip code:**	
Direct Tel#:		**Toll Free #:**			
Fax:		**Email:**			

I/We, the undersigned borrower(s), plan to enter into a transaction which re" nances one or more existing mortgage loans with a new mortgage loan secured by my/our home located at:

9999 Blazmore Lane, Upper Marlboro, Maryland 20774

I/We acknowledge that:

- I/We understand the costs associated with the new loan;

- The new loan may have different terms (including duration of term and rate of interest) than my/our existing loan(s); and

- The new loan will provide a reasonable, tangible net benefit to me/us after taking into account the terms of both the new and existing loan(s), the cost of the new loan, and my/our particular circumstances.

By refinancing my/our existing loan(s), the following benefits apply to me/us (each borrower should initial any benefit that applies):

_____ _____ Obtaining a lower interest rate.

_____ _____ Obtaining a lower monthly payment, including principal, interest, taxes, and insurance.

_____ _____ Obtaining a shorter amortization schedule.

_____ _____ Changing from an adjustable rate to a fixed rate.

_____ _____ Eliminating a negative amortization feature.

_____ _____ Eliminating a balloon payment feature.

_____ _____ Receiving cash-out from the new loan in an amount greater than all closing costs incurredin connection with the loan.

_____ _____ Avoiding foreclosure.

_____ _____ Eliminating private mortgage insurance.

_____ _____ Consolidating other existing loans into a new mortgage loan.

_____ _____ Other (please specify): ____

I/We have considered the terms of both the existing and new loans, the cost of the new loan, and my/our personal circumstances. I/We believe the overall benefits of the new loan make the new loan beneficial to me/us for the reason or reasons identified above. By signing below, I/we certify that I/we have read and understand this Net Tangible Benefits Worksheet.

Carroll Sample

Date

Maryland Disclosure Regarding Particular Loan Program

Borrower Name(s): **Carroll Sample**

Lender: **Security Sample**

Property Address:

Date:

The lender cannot guarantee acceptance of a borrower's application into a particular lender program. The lender will keep the borrower informed of the progress of the processing of the loan application in the event that problems arise in the processing or underwriting of the loan which may delay closing.

Carroll Sample

Date

Maryland Notice of Waiver Commitment

Borrower Name(s): **Carroll Sample**

Lender: **Security Sample**

Property Address:

Date:

You have applied for an owner occupied loan transaction.

By signing this Notice you are waiving your right to receipt of a Commitment Letter within the required 72 hour limitation as provided by Maryland Law. This waiver is necessary for the following reason(s):

____

____

____

____

A Commitment Letter will be supplied to you at settlement which states the conditions under which your loan has been approved.

Carroll Sample	Date

Maryland Financing Agreement

Borrower Name(s): **Carroll Sample**

Lender: **Security Sample**

Property Address:

Date:

You have applied for a reverse mortgage loan to be secured by a first lien on your owner-occupied principal residence. Please be advised that the following disclosures are provided pursuant to Md. Code Ann., Com. Law § 12-125. This Financing Agreement executed by the lender must be provided to you within 10 business days after the date of the loan application is completed.

The term, principal amount of the loan, and type of mortgage loan being offered are as follow:

Loan Term: **The reverse mortgage for which you have applied does not have a fixed maturity date and becomes due and payable upon the occurrence of a maturity event or in the event of default as provided in the loan documents.**

Amount of the Loan: **$127,797.75**

Type of Mortgage Loan: **Reverse**

Interest rate that will apply to the loan: **4.990%**

- [X] This rate is a fixed interest rate (as negotiated between the borrower and the lender)
- [ ] This rate is subject to change
- [ ] This rate is a variable rate
- [ ] This rate is subject to final determination at a future date based on ______________________________

____

For Adjustable Rate Mortgages Only: The interest rate quoted above is your initial interest rate. Your variable rate will be based on an index rate plus a margin and your variable interest rate may change during the term of your loan as specified below:

The Index is:

The Margin is:

Adjustment Period/Caps:

Lender's Points: **$-2,250.00**. Lender's Points, if applicable, will be paid by:

☐ Points are to be paid by the borrower

☐ Points are to be paid by the seller*

☐ Points are to be paid by both the borrower and the seller.*

**In an FHA-insured HECM for Purchase loan transaction, no part of the down payment, including any HECM loan related fees that are not financed into the loan, may be provided by the seller or anyone else with a financial interest or financial connection to this transaction.*

Broker's Compensation: **$N/A**. For loans that meet the definition of "Closed End Credit" under Regulation Z, the mortgage broker in the transaction may be paid by the borrower or the lender, but not both.

The term of this Financing Agreement will remain in effect until **July 04, 9999**

No decision has been made concerning the approval or disapproval of your loan application, and this financing agreement is not a commitment to make a loan to you. Approval of your loan application will be contingent upon the satisfaction of all our underwriting requirements.

Please note that if any of the provisions of this Financing Agreement are subject to change or determination after its execution, you shall be provided with a commitment, executed by the lender, at least 72 hours before the time of settlement agreed by the parties providing (1) the effective fixed interest rate or initial interest rate that will be applied to the loan, and (2) a restatement of all the remaining unchanged provisions of the financing agreement.

THIS FINANCING AGREEMENT IS NEITHER A CONTRACT NOR A COMMITMENT TO LEND

Security Sample

Lender — Date

Authorized Representative — Date

ACKNOWLEDGMENT

I/We have read and acknowledge receiving a copy of this Financing Agreement within ten (10) business days after the date the loan application was completed.

Carroll Sample — Date

Maryland Mortgage Broker Agreement

Borrower Name(s): **Carroll Sample**

Broker: **Security Sample**

Property Address:

Date:

Maryland law requires us to provide the following information to you before we undertake to assist you in obtaining a loan or advance of money:

(1) Our finder's fee will be: $______________

A "finder's fee" is defined to mean any compensation or commission directly or indirectly imposed by a broker and paid by or on behalf of the borrower for the broker's services in procuring, arranging, or otherwise assisting a borrower in obtaining a loan or advance of money.

(2) We are acting as a mortgage broker and not as a lender in the transaction.

____
Mortgage Broker Representative

____
Title

I have read this disclosure information and fully understand my obligations.

Carroll Sample	Date

FHA-Insured HECM Loan Application Disclosure

(FHA Mortgagee Letter 2013-27 and 2013-33)

An FHA-insured Home Equity Conversion Mortgage (or HECM) allows you to borrow against the equity in your home without having to make regular monthly repayment obligations until the loan matures. You do, however, have to pay real property taxes and hazard insurance and maintain your home.

The amount of money available to you under a FHA-insured HECM loan is called the Principal Limit. The Principal Limit is generally determined by your home's appraised value, subject to an overall program limit of $625,500. The lesser of your home's appraised value, the sales price of the home (for purchase money HECM loans), or the HECM program loan limit of $625,500 is called the Maximum Claim Amount. The Principal Limit is calculated by multiplying the Maximum Claim Amount by a Principal Limit Factor. The Principal Limit Factor is based on information published by HUD and varies based upon certain factors including your age and the interest rate on your loan.

Pursuant to the Reverse Mortgage Stabilization Act of 2013 and FHA Mortgagee Letters 2099-27 (Sept. 3, 2099) and 2019933 (Sept. 25, 2099) for HECM loan applications logged in FHA's records effective on or after September 30, 2013, the amount of your Principal Limit that you can access at the closing of your loan and/or during the first 12 months of your loan is further limited. This disclosure explains those limits and important elections you will have to make and inform the Lender about, prior to the closing of your HECM loan.

The amount of your Principal Limit that you can access at the closing of your loan and/or during the first 12 months of your loan is further limited to the Initial Disbursement Limit. After the first 12 months of your loan, you can obtain the remainder of your available Principal Limit.

The Initial Disbursement Limit is equal to <u>the greater of</u> sixty percent (60%) of your Principal Limit, or the sum of your Mandatory Obligations plus ten percent (10%) of your Principal Limit. Mandatory Obligations include items such as paying off your current mortgage loan secured by your home, and closing costs and mortgage insurance due with your new HECM loan. Disbursements cannot exceed the Principal Limit established at closing.

If your Mandatory Obligations are greater than fifty percent (50%) of your Principal Limit, you may elect to take up to an additional ten percent (10%) of your Principal Limit at closing and/or during the first 12 months of your HECM loan. **If your Mandatory Obligations are greater than fifty percent (50%) of your Principal Limit, you must decide, prior to loan closing, whether and what amount of this additional ten percent (10%) of the Principal Limit, if any, you want to receive, and if so, under which type of payment plan. If your Mandatory Obligations are greater than sixty percent (60%) of your Principal Limit, you must decide under which type of payment plan you wish to receive this additional ten percent (10%) of the Principal Limit. You must make this election and inform the lender of your choice prior to the closing of your HECM loan.**

<u>**Note that under certain circumstances, electing to receive or have access to additional Principal**</u>

__**Limit may increase the cost of your HECM loan, as explained below.**__ If the amount you have access to and elect to receive at the closing or during the first 12 months of your HECM loan exceeds sixty percent (60%) of your Principal Limit, your initial mortgage insurance premium (“MIP”) will be two and one-half percent (2.50%) of your Maximum Claim Amount. For example, this could occur if your Mandatory Obligations exceed fifty percent (50%) of your Principal Limit and you elect to take all of the additional ten percent (10%) of your Principal Limit at closing and/or during the first 12 months of your HECM loan. This also could occur if your Mandatory Obligations exceed sixty percent (60%) of your Principal Limit (regardless of your election as to the additional 10%). However, if the amount you have access to and elect to receive at the closing or during the first 12 months of your HECM loan is equal to or less than sixty percent (60%) of your Principal Limit, the cost of your HECM loan will be lower because your initial MIP will be one-half of one percent (.50%) of your Maximum Claim Amount.

Subject to the Initial Disbursement Limit described above, you may receive your HECM loan proceeds as monthly payments, a line of credit or a combination of both. This loan also allows you to limit the amount you borrow to a Single Disbursement Lump Sum Payment Option. The Single Disbursement Lump Sum Payment Option also cannot exceed the Initial Disbursement Limit described above. However, if you elect a Single Disbursement Lump Sum Payment Option, except for repair or property charge set asides, you will receive the available loan proceeds only at the consummation (or closing) of your loan, and you will not be able to receive any further disbursements under the loan, nor elect payment plan changes after closing.

As part of your HECM loan application, you are also receiving sample blank copies of HECM loan documents and other important disclosures. You should review these materials carefully and discuss them with your loan officer.

By signing below, you acknowledge receipt of this disclosure.

Carroll Sample	Date

Applicant Compliance Agreement

Applicant(s): **Carroll Sample**

Originator: **Security Sample**

Property Address:

Date:

The undersigned Applicant(s) agrees, in consideration of Lender reviewing, processing and underwriting Applicant(s) application for a HECM loan, if requested by Lender or someone acting on Lender's behalf, Applicant(s) will fully cooperate in executing revised loan documents that may differ from the sample loan documents provided to Applicant(s) as part of Applicant(s)' application for a HECM loan.

By acknowledging this disclosure, Applicant(s) is not obligated to continue with the loan application or obtain a HECM loan.

APPLICANT(S):

Carroll Sample	Date

List of HUD Approved Counselors -

The U. S. Department of Housing and Urban Development (HUD) requires that homeowner(s) interested in pursuing a Home Equity Conversion Mortgage (HECM) receive mandatory counseling regarding the implications of and alternatives to a reverse mortgage from a HUD-approved HECM counseling agency. We are required by HUD regulations to provide you with a list of HECM counseling agencies. The list must include all HUD-approved counseling intermediaries that can provide telephonic counseling, as well as five (5) counseling agencies within your local area, state or both, with at least one of the local agencies located within a reasonable driving distance for the purpose of face-to-face counseling

Phone Counseling:

- National Foundation for Credit Counseling (NFCC):
- Money Management International (MMI):
- Consumer Credit Counseling Svc of Atlanta:
- National Council on Aging (NCOA):
- ClearPoint Financial Solutions:
- Springboard:
- Homefree:
- Greenpath:
- Neighborhood Reinvestment Corporation:

Carroll Sample

Date

Preparing for Your Counseling Session

The decision to get a reverse mortgage is an important one. The Department of Housing and Urban Development (HUD) and the Federal Housing Administration (FHA) want to ensure you are able to make an informed decision and that you are able to choose a course of action that will meet your needs. For this reason, housing counseling for HUD's Home Equity Conversion Mortgage (HECM) is required. The purpose of this overview is to provide introductory information on counseling and the HECM program, to help you prepare for your counseling session. After your counseling session, you will have a better understanding of the features of a reverse mortgage; the impact a reverse mortgage will have on your particular circumstances; and whether services or programs other than a reverse mortgage might better meet your needs.

What You Can Expect from Your Reverse Mortgage Counselor

Understanding what to expect from reverse mortgage counselors is an important first step in setting your expectations for your counseling session. Remember, only you can decide if a reverse mortgage is right for your situation. The counselor provides information to assist you in making that decision.

- The counselor is responsible for helping you understand reverse mortgages and the appropriateness of a reverse mortgage to meet your particular need as well as alternatives to a reverse mortgage.

- Reverse mortgage counselors will discuss your financial and other needs for remaining in your home, the features of a reverse mortgage and how it works, your responsibilities with a reverse mortgage, the impact of a reverse mortgage on you and your heirs, and the availability of other assistance you may need.

- The job of the counselor is not to "steer" or direct you towards a specific solution, a specific product, or a specific lender.

- Counselors will help you understand your options and their impacts.

Reverse mortgage counselors are required to follow specific practices, which are designed to ensure you receive quality counseling services and are protected against fraud and abuse. HUD requires that HECM counselors do the following:

- Send you required materials (i.e., this packet) prior to your counseling session
- Follow established protocols when conducting the counseling session
- Follow-up with you after the session has concluded.

What You Can Expect from the Reverse Mortgage Counseling Process

Step 1 - Schedule an appointment. The counseling process begins when you schedule your appointment for a counseling session. You must schedule an appointment directly with the counseling agency. Your lender cannot initiate or participate in the counseling session. This session is conducted in person or over the telephone; however, HUD advises that, if possible, you meet with your counselor face-to-face to gain greater benefit from your session.

Step 2 - Counselor will contact you and send information. Once you have set up an appointment, the agency sends you a packet of information so that you can prepare for your session. Before you begin, you should also know that some agencies charge a fee for counseling; if you cannot afford to pay this fee you should discuss your inability to pay with the agency at the outset of your session to understand your options.

Step 3 - The counselor will collect from you: Your name, contact and other key information, including your interest in obtaining a reverse mortgage, for the counseling session.

Step 4 - Counseling session: The counselor will discuss with you your needs and circumstances; provide information about reverse mortgages and other alternative types and sources of assistance that might be available to you.

Step 5 - Certificate of Completion: Once you complete your session and you and your counselor are comfortable that you understand the essentials of a reverse mortgage, the counselor will issue a certificate, which verifies for a lender that you have successfully completed counseling.

Step 6 - Follow-up: Your counselors will follow-up with you to learn if you need further assistance and to understand the outcome of your counseling session. You may also call your counselor to seek further assistance after your session.

How a Reverse Mortgage Works

Before you begin your counseling session, it is helpful if you understand a few basics about a reverse mortgage.

Reverse mortgages enable homeowners age 62 or older to convert their home's equity into available cash - a lender advances you money (the loan) based upon the equity in your home. The amount of money you are eligible to receive generally depends upon the amount of equity in your home and your age at the time you get the loan.

With a reverse mortgage, you remain the owner of your home. As with any home, you must continue to pay property taxes and homeowner's insurance. You are also responsible for maintaining your home in good condition.

You will not have to repay your loan balance for as long as you live in your home. You must repay a HECM loan in full when the last surviving borrower dies or sells the home. You can choose to pay off the loan through the sale of the property or prepayment of the loan at any time without penalty. Your estate may retain ownership of the property and must pay off the loan in full or the property can be sold to an unrelated party for the lesser of the unpaid mortgage balance or 95% of appraised value.

Types of Reverse Mortgages

There are three types of reverse mortgages shown in the chart below.

Single purpose reverse mortgage	Typically offered by state and local government agencies to be used in only one specific way, for example, home repairs
Proprietary reverse mortgage	Can be used for any purpose and may be suitable for borrowers with high cost homes
Home Equity Conversion Mortgage (HECM)	Can be used for any purpose and is **insured by the Federal government.**

Payment Plan Options

There are several types of HECM loan plans available, including monthly and annually adjusting interest rate loans as well as fixed interest rate loans. Borrowers can decide to take a line of credit with flexible draw down options, a term loan with fixed monthly payments for a specified number of years, or a tenure plan with guaranteed payments for life or a combination of these options.

Choosing a Reverse Mortgage to Meet your Needs

HECM payment plans are flexible. The best payment plan for you will depend on your current and future financial needs and circumstances. For example:

> *If you have a small balance on your existing mortgage and would like to pay it off with the reverse mortgage*, a line of credit plan would allow you to draw all the funds at loan closing and pay off the current mortgage.
>
> *If you need a set amount of money every month to supplement your income to help meet monthly expenses*, then a tenure or term payment plan might be a suitable option for you.
>
> *If you know you will have some large health care expenses in the near future and want to have the funds available when needed*, a line of credit may also meet your needs.

Your reverse mortgage counselor will discuss your goals for a reverse mortgage with you and will explain the different options available to help meet your needs.

Costs to Obtain HECM

Costs associated with HECMs are generally higher than those for “forward” mortgages used to purchase a home. Although, the cost categories are the same as you would see for a traditional “forward” mortgage. These costs include lender fees to originate the mortgage, servicing fees for ongoing administration of the loan and interest on the money you use from the loan. There are also closing costs, which include all the usual and customary expenses associated with obtaining a mortgage, for example, the appraisal, title searches and insurance. HECMs also include a fee for FHA mortgage insurance.

Impact on Tax/Social Service Benefits

Reverse mortgage loan advances are not taxable and do not affect Social Security or Medicare benefits. However, you must be careful that any loan proceeds you retain do not exceed the monthly liquid resource limits for Supplemental Security Income (SSI) and Medicaid, which may be impacted by your HECM payments.

Alternatives to a Reverse Mortgage

Your HECM counselor will also help you consider options available to meet your needs other than a reverse mortgage. These options include:

- selling your home and moving to a more suitable residence
- renting as well as other financial options
- support services and public benefits that may be available to you in your community.

HUD encourages you to learn as much as possible about your options, before you decide on a reverse mortgage. Listed below are resources you can access to learn more about reverse mortgages and elder care.

AARP's web site at provides more information on reverse mortgages and calculators that will provide general estimates of the amount of money you might receive from a reverse mortgage. You may also contact AARP at 1-800-999-9999.

The National Reverse Mortgage Lenders Association provides consumer information at w and can also be reached by calling