

HOW TO READ MY REVERSE MORTGAGE STATEMENT

(Sample Below)

- (1) Loan Number:** This is your reverse mortgage account number. You will want to reference this account number when you call the servicing department with any questions regarding your loan.
- (2) Payment Plan Type:** This is the payment plan type that you selected for your loan at origination.
- (3) Default Balance:** An outstanding balance on your loan that was charged to you for the payment of Property Expenses, but excluding any HOA or Condo Association fees (e.g., taxes, insurance) .
- (4) Loan Status:** This is the status of your reverse mortgage at the time the statement was generated.
- (5) Loan Type:** Type of loan that was taken out when signing the Reverse Mortgage (i.e.: HECM, Home Keeper, Reverse Proprietary, etc.)
- (6) Contact Information:** This is how to contact Champion Mortgage regarding your reverse mortgage.
- (7) Rate Information:** This displays the interest rate and mortgage insurance premium (MIP) rate at the time the statement was generated, if you have a HECM loan as of the Statement Period.
- (8) Message Center:** This is where any messages regarding your loan (if any) will appear if we need to inform you of changes to your loan status and give you information for possible events in your area.
- (9) Balance Summary:** These are your balances as of the Month Ending Date noted at the top of your statement. In the sample statement, this is displaying loan information as of the end of the previous month.
- (10) Current Principal Limit:** This was the amount established at closing that could be borrowed on your loan at closing, plus growth if any.
- (11) Current Loan Balance:** The total amount of your loan balance for the prior month.
- (12) First Year Property Charge Set Aside:** This is the amount of the original principal limit set aside to pay property charges (taxes, insurance) during the first year of the loan, if applicable.
- (13) Net Principal Limit:** This figure represents the current total amount of funds available to you, less loan balance, and any set-aside reserves, provided that your loan is in a Servicing status. Depending on the type of payment plan option you selected, this figure would include any funds allocated within your line of credit (see below), as well as a reserve for any future monthly scheduled payments.
- (14) Corporate Advances:** Funds advanced by the servicer for expenses (e.g., attorney fees and costs, line of credit advances for property taxes, force placed insurance, property inspections and preservations, etc). in connection with your loan which have not been added to your Loan Balance, if applicable.
- (15) Total Loan Balance with Advances:** The total amount of your loan balance for the statement month which includes any corporate advances (line of credit advances for property taxes, force placed insurance, property inspections & preservation and, attorney's fees and costs, if applicable).
- (16) Prior Month Available Line of Credit:** This is the amount available within your line of credit, for the previous month.
- (17) Available Line of Credit:** This figure represents any current funds remaining that are available for you to borrow from your line of credit, if you selected a line of credit as part of your current payment plan option.
- (18) Interest Rate Change Notice:** This is a notice to you of any upcoming change in your loan's interest rate, if applicable.
- (19) Credit Disclosure Statement:** Includes additional information about your reverse mortgage, and contact information for tax and insurance departments along with where to send Notices of Error and submit Qualified Written Requests.
- (20) Detailed Transaction Information:** Any transactions that have occurred on your loan during the Statement Period (line of credit advances, repayments, accrued interest, monthly scheduled payments, etc.) are detailed in this section, which you can find on the reverse side of the statement.
- (21) Additional Corporate Advance Transaction Information:** Itemization of any corporate advances that have occurred on your loan during the Statement Period that are not included in your Current Loan Balance (for expenses paid in connection with your loan (e.g., attorney's fees and costs).



PO Box 619093
Dallas, TX 75261

SAMPLE ONLY

CHIP COOPER

CHIPPY COOPER
123 COOPER STREET
COOPERTON, TX 12345

REVERSE MORTGAGE MONTHLY STATEMENT

STATEMENT PRINT DATE:
6/05/18

FOR THE MONTH ENDING ON:
5/31/2018

1 LOAN NUMBER:
0001000758

DEFAULT BALANCE:
\$0.00 3

2 PAYMENT PLAN:
Line of Credit
PROPERTY ADDRESS:
123 COOPER STREET
COOPERTON, TX 12345-0000

4 LOAN STATUS:
Active
5 LOANTYPE:
HECM

QUESTIONS? WE'RE HERE TO HELP.

CUSTOMER SERVICE: 855-683-3095
Monday through Thursday from 7 a.m. to 7 p.m. (CT),
Friday from 7 a.m. to 5 p.m. (CT)
www.championmortgage.com

Mailing Address:
P.O. Box 619093
Dallas, TX
75261-9093

ACCOUNT OVERVIEW

	Prior Month Interest Rate	7 Current Month Interest Rate	MIP
Daily	0.01%	0.01%	0.00%
Monthly	0.30%	0.30%	0.04%
Annual	3.56%	3.56%	0.50%

THIS IS NOT A BILL

MESSAGE CENTER

Visit www.championmortgage.com for assistance in reading your monthly mortgage statement, please click on the tab under FAQ'S and click on the "+" sign next to "How do I read and understand my monthly statement?"

The person retains title to the property that is the subject of the reverse mortgage until the person sells or transfers the property and is therefore responsible for paying property taxes, insurance, maintenance and related taxes. Failing to pay these amounts may cause the reverse mortgage loan to become due immediately and may subject the property to a tax lien or other encumbrance or to possible foreclosure.

Have you entered into a Real Estate Tax Deferral Program? If so, you are required to notify Champion Mortgage of this election.

BALANCE SUMMARY as of 5/31/18

Current Principal Limit	10	\$0.00
-Current Loan Balance	9	\$290,497.65
-Servicing Fee Set Aside	11	\$4,502.22
-Repairs Set Aside		\$0.00
-Tax and Insurance Set Aside	12	\$0.00
-First Year Property Charge Set Aside	13	\$0.00
Net Principal Limit		\$0.00
Current Loan Balance	14	\$290,497.65
+Corporate Advances		\$0.00
Total Loan Balance with Advances	15	\$290,497.65

Prior Month Available Line of Credit	16	
Repair Set Aside		\$0.00
Tax and Insurance Set Aside		\$0.00
First Year Property Charge Set Aside		\$0.00
Available Line of Credit	17	\$0.00

INTEREST RATE CHANGE NOTICE

On 6/1/18, the interest rate on your adjustable rate reverse mortgage (ARM) will stay the same from 3.56% to 3.56%.

Your interest rate may increase or decrease based upon changes in LIBOR rate as shown in the Wall Street Journal. Your 5/1/18 interest rate was based on an index value of 2.06%. To determine your new interest rate going into effect on 6/1/18, we have added the current index value of 2.06% as of 3/26/18, as made available by the Wall Street Journal, to the agreed upon margin of 1.50% for a total new interest rate of 3.56%. This new rate has not been rounded to the nearest 1/8th percent. The initial interest rate on your mortgage was 6.53%, which may not be increased beyond 16.53% during the life of the mortgage.

Champion Mortgage is a debt collector. This is an attempt to collect a debt and any information obtained will be used for that purpose. However, if you are currently in bankruptcy or have received a discharge in bankruptcy, this communication is not a demand for payment of the captioned debt to the extent that it is included in your bankruptcy or has been discharged, but is provided for informational purposes only.

If you are a successor in interest (received the property from a relative through death, devise, or divorce, and you are not a borrower on the loan), this communication is for informational purposes only and is not an attempt to collect a debt from you personally.



CREDIT DISCLOSURE STATEMENT

ANNUAL PERCENTAGE RATE (APR)

If your loan has a fixed interest rate, the interest rate will never increase or decrease over the life of your loan. If your loan has an adjustable interest rate, the ANNUAL PERCENTAGE RATE for the interest portion of your FINANCE CHARGE may increase or decrease based upon changes in the index specified by your Note. Therefore, the monthly and daily periodic rates relating to the interest portion of your FINANCE CHARGE may vary. To determine the ANNUAL PERCENTAGE RATE that will apply to the interest portions of your loan, we add a margin to the value of the Index as specified in your Note, subject to certain limitations described in your loan documents. The corresponding ANNUAL PERCENTAGE RATE for the interest portion of the FINANCE CHARGE does not include costs other than interest. To find the interest rate on your loan, please see the top section on the first page of your reverse mortgage statement.

FINANCE CHARGES

Each Advance made to you under your loan will be subject to a FINANCE CHARGE beginning on the day after each advance is made. A FINANCE CHARGE will continue to be assessed on your loan until the entire outstanding balance and all fees due under the Note(s), Security Instrument(s) and Loan Agreement are paid.

INTEREST

The interest portion of the FINANCE CHARGE on your loan is computed by (i) calculating the FINANCE CHARGE on the balance existing at the beginning of each month, taking into consideration any payments or credits to your loan during the month, (ii) calculating the FINANCE CHARGE on each advance made to you during the month and (iii) adding all of these sums together.

We start with the outstanding principal balance on your loan at the beginning of each month, which includes FINANCE CHARGES from the prior month (the Previous Outstanding Principal Balance). At the end of each month, we divide the then-current ANNUAL PERCENTAGE RATE by 12 (the "Monthly Periodic Rate") and multiply the result of this calculation by the Previous Outstanding Principal Balance.

If you make a payment or we receive a credit to your loan during the month, we divide the then-current ANNUAL PERCENTAGE RATE by 365 (the "Daily Periodic Rate") and multiply the result of this calculation by the amount of the payment or credit. We multiply the resulting amount by the number of days remaining in the month after the payment or credit was received (not including the day the payment or credit was received). We then subtract this amount from the product of the Monthly Periodic Rate and the Previous Outstanding Principal Balance.

At the end of each month in which any advances have been made to you or on your behalf, we multiply the amount of the advance by the number of days remaining in the month after that advance was made (not including the day the advance was made) and then multiply this amount by the Daily Periodic Rate. This Calculation is repeated for each advance made to you during the month including, but not limited to, advances made to pay fees or FINANCE CHARGES on your loan.

The sum of the final result of these calculations equals the interest portion of your FINANCE CHARGE for the month.

MORTGAGE INSURANCE PREMIUMS ("MIP")

If you have a HECM loan, MIP, which is a FINANCE CHARGE, is computed by (i) calculating the MIP on the Previous Outstanding Balance, taking into consideration any payments or credits to your loan during the month, (ii) calculating the MIP on each advance to you during the month, and (iii) adding all these sums together.

At the end of the month, we divide the monthly MIP rate determined by the Department of Housing & Urban Development (HUD) by 12 (the "MIP Monthly Periodic Rate") and multiply the result of this calculation by the Previous Outstanding Principal Balance.

If you make a payment or we receive a credit to your loan during the month, we divide the monthly MIP rate determined by HUD by 365 (the "MIP Daily Periodic Rate") and multiply the result of this calculation by the amount of the payment or credit. We multiply the resulting amount by the number of days remaining in the month after the payment or credit was received (not including the day the payment or credit was received). We then subtract this amount from the product of the MIP Monthly Periodic Rate and the Previous Outstanding Principal Balance.

At the end of each month in which any advances have been made to you, we multiply the amount of the advance by the number of days remaining in the month after that advance was made (not including the day the advance was made) and then multiply this amount by the MIP Daily Periodic Rate. This calculation is repeated for each advance made to you during the month.

The sum of the result of these calculations equals the MIP portion of your FINANCE CHARGE for the month.

MONTHLY SERVICING FEE

If your loan has a flat Monthly Servicing Fee, if applicable, this fee, equals the monthly servicing fee portion of your FINANCE CHARGE for the month.

BILLING RIGHTS SUMMARY

If you think your monthly statement is wrong, or if you need more information about a transaction on your statement, please write us as soon as possible at the address shown below. We must hear from you no later than 60 days after we sent you the first statement on which the error or problem appeared. You can telephone us, but doing so will not preserve your rights. In your letter, give us the following information:

- Your name and loan number.
- The dollar amount of the suspected error.
- Describe the error and explain if you can, why you believe there is an error. If you need more information, describe the item you are unsure about.

We will respond to your inquiry within 30 days of our receipt. If you have any questions, please call toll-free 1-855-683-3095.

While we investigate your question, you will not be charged for any transaction in question and interest will not accrue on any amount in question, but you will be charged for any transaction on our statement that is not in question and interest will accrue on any amount that is not in question. We also cannot take any action to collect the charge and/or amount you question.

Send Notice of Error, Complaint, Request for Information, or other Qualified Written Requests to:
Champion Mortgage
PO Box 612877
Dallas, TX 75261

Send payments or payoffs to:
Champion Mortgage
PO Box 619093
Dallas, TX 75261-9093

Send repayment plan, letters of intent and supporting documents to:
Champion Mortgage
PO Box 619093
Dallas, TX 75261-9093

Mortgagee Clause for insurance carrier to:
Champion Mortgage –
ISAOA
PO Box 692399
San Antonio, TX 78269-2399



PO Box 619093
Dallas, TX 75261

DETAILED TRANSACTION INFORMATION

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<u>POST DATE</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
5/1/18	Previous Loan Balance	
5/31/18	Current Total Loan Balance	\$290,497.65

**ADDITIONAL CORPORATE ADVANCE TRANSACTION
INFORMATION
NOT INCLUDED IN CURRENT TOTAL LOAN BALANCE**

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<u>POST DATE</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
5/1/18	Previous Corporate Advance Balance	
5/31/18	Current Total Corporate Advance Balance	\$0.00