

# Sample of Reverse Mortgage with Interest Compounded

**Principal:** \$0.00 at 12% (Ordinary Interest)

**Issued:** 2/1/2003 with first payment on 3/1/2003

**Payment:** -\$200.00 Monthly (Principal + Interest)

This is a 5 year reverse mortgage. Reverse mortgages let a homeowner draw on the equity of his house by receiving a monthly payment from a lender. When the house is sold at the end of the fixed term, or when the borrower opts to sell or passes away, the borrower or his estate pays the principal and interest in a lump sum.

<b>APR %</b>	<b>FINANCE CHARGE</b>	<b>Amount Financed</b>	<b>Total of Payments</b>
12.0000%	\$4,333.92	\$11,800.00	\$16,133.92

<b>Number of Payments</b>	<b>Amount of Payments</b>	<b>When Payments Are Due</b>
1	\$16,133.92	2/1/2008

PMT #	Date	Principal Payment	Interest Payment	Interest Charge	Interest Accrual Balance	Principal Balance
	2/1/2003				\$0.00	\$0.00
1	3/1/2003	-\$200.00	\$0.00	\$0.00	\$0.00	\$200.00
2	4/1/2003	-\$200.00	\$0.00	\$2.00	\$2.00	\$400.00
3	5/1/2003	-\$200.00	\$0.00	\$4.02	\$6.02	\$600.00
4	6/1/2003	-\$200.00	\$0.00	\$6.06	\$12.08	\$800.00
5	7/1/2003	-\$200.00	\$0.00	\$8.12	\$20.20	\$1,000.00
6	8/1/2003	-\$200.00	\$0.00	\$10.20	\$30.40	\$1,200.00
7	9/1/2003	-\$200.00	\$0.00	\$12.30	\$42.70	\$1,400.00
8	10/1/2003	-\$200.00	\$0.00	\$14.43	\$57.13	\$1,600.00
9	11/1/2003	-\$200.00	\$0.00	\$16.57	\$73.70	\$1,800.00
10	12/1/2003	-\$200.00	\$0.00	\$18.74	\$92.44	\$2,000.00
	2003 Totals	-\$2,000.00	\$0.00	\$92.44		
	Paid To Date	-\$2,000.00	\$0.00	\$92.44		
11	1/1/2004	-\$200.00	\$0.00	\$20.92	\$113.36	\$2,200.00
12	2/1/2004	-\$200.00	\$0.00	\$23.13	\$136.49	\$2,400.00
13	3/1/2004	-\$200.00	\$0.00	\$25.36	\$161.85	\$2,600.00
14	4/1/2004	-\$200.00	\$0.00	\$27.62	\$189.47	\$2,800.00
15	5/1/2004	-\$200.00	\$0.00	\$29.89	\$219.36	\$3,000.00
16	6/1/2004	-\$200.00	\$0.00	\$32.19	\$251.55	\$3,200.00
17	7/1/2004	-\$200.00	\$0.00	\$34.52	\$286.07	\$3,400.00
18	8/1/2004	-\$200.00	\$0.00	\$36.86	\$322.93	\$3,600.00
19	9/1/2004	-\$200.00	\$0.00	\$39.23	\$362.16	\$3,800.00
20	10/1/2004	-\$200.00	\$0.00	\$41.62	\$403.78	\$4,000.00
21	11/1/2004	-\$200.00	\$0.00	\$44.04	\$447.82	\$4,200.00
22	12/1/2004	-\$200.00	\$0.00	\$46.48	\$494.30	\$4,400.00
	2004 Totals	-\$2,400.00	\$0.00	\$401.86		
	Paid To Date	-\$4,400.00	\$0.00	\$494.30		
23	1/1/2005	-\$200.00	\$0.00	\$48.94	\$543.24	\$4,600.00
24	2/1/2005	-\$200.00	\$0.00	\$51.43	\$594.67	\$4,800.00
25	3/1/2005	-\$200.00	\$0.00	\$53.95	\$648.62	\$5,000.00
26	4/1/2005	-\$200.00	\$0.00	\$56.49	\$705.11	\$5,200.00
27	5/1/2005	-\$200.00	\$0.00	\$59.05	\$764.16	\$5,400.00
28	6/1/2005	-\$200.00	\$0.00	\$61.64	\$825.80	\$5,600.00

# Sample of Reverse Mortgage with Interest Compounded

PMT #	Date	Principal Payment	Interest Payment	Interest Charge	Interest Accrual Balance	Principal Balance
29	7/1/2005	-\$200.00	\$0.00	\$64.26	\$890.06	\$5,800.00
30	8/1/2005	-\$200.00	\$0.00	\$66.90	\$956.96	\$6,000.00
31	9/1/2005	-\$200.00	\$0.00	\$69.57	\$1,026.53	\$6,200.00
32	10/1/2005	-\$200.00	\$0.00	\$72.27	\$1,098.80	\$6,400.00
33	11/1/2005	-\$200.00	\$0.00	\$74.99	\$1,173.79	\$6,600.00
34	12/1/2005	-\$200.00	\$0.00	\$77.74	\$1,251.53	\$6,800.00
2005 Totals		-\$2,400.00	\$0.00	\$757.23		
Paid To Date		-\$6,800.00	\$0.00	\$1,251.53		
35	1/1/2006	-\$200.00	\$0.00	\$80.52	\$1,332.05	\$7,000.00
36	2/1/2006	-\$200.00	\$0.00	\$83.32	\$1,415.37	\$7,200.00
37	3/1/2006	-\$200.00	\$0.00	\$86.15	\$1,501.52	\$7,400.00
38	4/1/2006	-\$200.00	\$0.00	\$89.02	\$1,590.54	\$7,600.00
39	5/1/2006	-\$200.00	\$0.00	\$91.91	\$1,682.45	\$7,800.00
40	6/1/2006	-\$200.00	\$0.00	\$94.82	\$1,777.27	\$8,000.00
41	7/1/2006	-\$200.00	\$0.00	\$97.77	\$1,875.04	\$8,200.00
42	8/1/2006	-\$200.00	\$0.00	\$100.75	\$1,975.79	\$8,400.00
43	9/1/2006	-\$200.00	\$0.00	\$103.76	\$2,079.55	\$8,600.00
44	10/1/2006	-\$200.00	\$0.00	\$106.80	\$2,186.35	\$8,800.00
45	11/1/2006	-\$200.00	\$0.00	\$109.86	\$2,296.21	\$9,000.00
46	12/1/2006	-\$200.00	\$0.00	\$112.96	\$2,409.17	\$9,200.00
2006 Totals		-\$2,400.00	\$0.00	\$1,157.64		
Paid To Date		-\$9,200.00	\$0.00	\$2,409.17		
47	1/1/2007	-\$200.00	\$0.00	\$116.09	\$2,525.26	\$9,400.00
48	2/1/2007	-\$200.00	\$0.00	\$119.25	\$2,644.51	\$9,600.00
49	3/1/2007	-\$200.00	\$0.00	\$122.45	\$2,766.96	\$9,800.00
50	4/1/2007	-\$200.00	\$0.00	\$125.67	\$2,892.63	\$10,000.00
51	5/1/2007	-\$200.00	\$0.00	\$128.93	\$3,021.56	\$10,200.00
52	6/1/2007	-\$200.00	\$0.00	\$132.22	\$3,153.78	\$10,400.00
53	7/1/2007	-\$200.00	\$0.00	\$135.54	\$3,289.32	\$10,600.00
54	8/1/2007	-\$200.00	\$0.00	\$138.89	\$3,428.21	\$10,800.00
55	9/1/2007	-\$200.00	\$0.00	\$142.28	\$3,570.49	\$11,000.00
56	10/1/2007	-\$200.00	\$0.00	\$145.70	\$3,716.19	\$11,200.00
57	11/1/2007	-\$200.00	\$0.00	\$149.16	\$3,865.35	\$11,400.00
58	12/1/2007	-\$200.00	\$0.00	\$152.65	\$4,018.00	\$11,600.00
2007 Totals		-\$2,400.00	\$0.00	\$1,608.83		
Paid To Date		-\$11,600.00	\$0.00	\$4,018.00		
59	1/1/2008	-\$200.00	\$0.00	\$156.18	\$4,174.18	\$11,800.00
60	2/1/2008	\$11,800.00	\$4,333.92	\$159.74	\$0.00	\$0.00
2008 Totals		\$11,600.00	\$4,333.92	\$315.92		
Paid To Date		\$0.00	\$4,333.92	\$4,333.92		

Last payment was \$16,133.92

Total payments made: 60

Interest charge per diem on balance of \$11,800.00 is \$3.88

Total interest: \$4,333.92  
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