

# What's so great about your adjustable rate mortgage? Payment options!

Payment options offer different benefits.\* With the minimum monthly payment, for example, you can save money to maximize cash flow. If you choose the 15-year payment plan, you will pay your loan off faster and save thousands in interest. Every month, payment options give you the flexibility to adjust your loan payment to fit your changing financial goals.

**1** shows you your monthly loan Payment Options.

**The Minimum Amount Due** covers the minimum amount due and allows you to utilize the money you save for other expenses. Deferred interest can occur with this option. See Section 2.

**A Full Interest Payment** covers the minimum amount due plus any additional interest accrued during the month, but does not reduce your principal.

**A Full Principal and Interest Payment** includes all the interest due and reduces your principal.

**The 15-Year Payment Plan** payments will cover all interest due and extra principal to pay off your loan based on a 15-year term. You will build equity faster and save thousands of dollars in interest over the shorter life of your loan.

**2** is a detailed breakdown of each of your current payment options. Note that when you choose to pay the minimum amount, your payment may not cover the total interest due and **deferred interest** can occur. The unpaid portion or "deferred" interest is added to your loan balance. You may choose to pay it off at any time. Payment Options 2, 3 and 4 do not generate deferred interest.

**3** reviews how much you've paid so far this year plus your year-to-date escrow disbursements, if any.

**4** indicates how your last payment was applied to principal and interest and your new ending balance.

**5** is where to look for news—ways we are working to help you with your financial planning.

**LOAN STATEMENT**

**Property Address:** 43335 ANYWHERE STREET  
ANYWHERE USA 90000

**Loan Number:** 6-00000-0  
**Payment Due Date:** 11/01/01  
**Statement Date:** 10/10/01

**Questions about your loan?**  
For quick answers call .....1-800-7 a.m. – 10 p.m. Mon. – Fri., 8 a.m. – 5 p.m., Sat. Central Time.  
(Please have your loan and Social Security numbers ready.)

**DANIEL T. CUSTOMER  
JANE D. CUSTOMER  
43335 ANYWHERE STREET  
ANYWHERE USA 90000**

### 1 PAYMENT OPTIONS

Select your option on the Payment Coupon below. Please see CHOOSING YOUR PAYMENT OPTIONS on reverse side for explanations.

Option 1 - Minimum Amount Due	1,111.31
Option 2 - Full Interest Payment	1,357.78
Option 3 - Full Principal and Interest Payment	1,753.99
Option 4 - 15-Year Payment Plan	2,201.38

### 2 CURRENT PAYMENT EXPLANATION

Payment Options	Option 1	Option 2	Option 3	Option 4
Interest Due	1,138.60	1,138.60	1,138.60	1,138.60
Interest Deferred †	-246.47			
Principal Paid			396.21	843.60
Escrow/Other	219.18	219.18	219.18	219.18
Total Past Due				
<b>Total Payment</b>	<b>1,111.31</b>	<b>1,357.78</b>	<b>1,753.99</b>	<b>2,201.38</b>

Past Due Amount	Late Charges/ Fees Due	Total Past Due	Total Outstanding Deferred Interest †	Current Interest Rate
			575.47	7.256

† (See explanation of deferred interest on reverse side under CHOOSING YOUR PAYMENT OPTIONS.)

### 3 YEAR-TO-DATE INFORMATION

Year-to-Date Payments	Year-to-Date Escrow Disbursements
Principal -302.17	Taxes
Interest 2,661.09	Additional Assessments
Deferred Interest †	Homeowner's Insurance
Late Charges/ Fees	Other

### 4 TRANSACTION ACTIVITY

Date	Description	Total	Principal	Interest Paid	Interest Rate	Escrow	Optional Insurance	Late Charges/ Other Fees	Unapplied Funds
09/02	BEGINNING BALANCE		+188,031.01			+1,534.28			
10/04	10/01 PAYMENT	1,111.31	+271.16	892.13	7.424	+219.18			
10/10	ENDING BALANCE		+188,302.17			+1,753.46			

### 5 IMPORTANT MESSAGES

Thank you for your business!

Detach here and return with payment. Thank you.

**Payment Coupon**

**NAME:** DANIEL T. CUSTOMER  
JANE D. CUSTOMER  
**Loan Number:** 6-00000-0

**PAYMENT OPTIONS**  
Please see reverse side for explanation.

Minimum Amount Due \$1,111.31

Full Interest Payment \$1,357.78

Full Principal Interest Payment \$1,753.99

15-Year Payment Plan \$2,201.38

**Payment Due Date:** 11/01/01  
**Minimum Amount Due:** 1,111.31

**Payment Amount:** \_\_\_\_\_  
**Extra to my Deferred Interest/Principal:** \_\_\_\_\_

**Total Amount Enclosed:** \_\_\_\_\_

To avoid a Late Charge of please ensure payment is received by **54.95** **11/15/01**

For change of address or phone number, please put an "X" in this circle and enter new information on reverse side.

\*These options are not available if you have a fixed rate loan, electronic fund transfer payments or past due payments.