

## HECM FOR HOME PURCHASE DOCUMENT CHANGES

The following documents will need to be changed to accommodate this new product.

- 1. Important Terms (application)**
  - a. add a statement regarding occupancy to the termination section on page 1.
  - b. add a statement regarding occupancy to the repayment section on page 3.
- 2. Truth in Lending (closing)**
  - a. add a statement regarding occupancy to the termination section on page 1.
  - b. add a statement regarding occupancy to the repayment section on page 2.
- 3. Mortgage / Deed of Trust / Security Deed**
  - a. add code to page one on all states to indicate "Purchase Money"
  - b. add HECM Purchase Rider to products and it will be included when request is properly coded. The Riders Box on the Mtg/DOT/SD will show an "X" in the Other and the description will read "Purchase Rider".
- 4. Notes – two options (Lenders Choice)**
  - a. add a merge code to show up in section 7B if the doc request is properly coded, or
  - b. add an Addendum to the Note (would have to be signed the same way as the Note itself meaning borrower/trustee, etc.)
- 5. Loan Agreement**
  - a. Update section 2.2.4 with regards to the availability of Initial Advances.
- 6. Notice of Rights to Cancel**
  - a. all will be removed if doc request is properly coded
- 7. State by State Disclosures**
  - a. Application packages will have the same set of disclosures
  - b. Any purchase documents required can be supplied to us and we will add to your document packages. Bay Docs will be building this library as documents become available.

LOS systems will need to be modified to include an indicator for HECM for Purchase. IBIS is aware of the need. The Bay Docs order page will be modified to add a check box.