



Job Aid: Entering Data for Fixed and Variable Rate Mortgage Loans With Declining Prepayment Premium Schedule

Table of Contents

- 1. INTRODUCTION..... 1
- 2. FIXED RATE MORTGAGE LOANS 2
 - 2.01. Declining Prepayment Premium schedule IS an allowable value in the dropdown. 2
 - A. 5 Year Loan Term 2
 - B. 7 Year Loan Term 4
 - C. 10 Year Loan Term 6
 - 2.02. Declining Prepayment Premium schedule IS NOT an allowable value in the dropdown. 7
 - A. 12 Year Loan Term 7
 - B. 30 Year Loan Term 9
 - C. 15 Year Loan Term and 18 Year Loan Term 9
- 3. ADJUSTABLE RATE MORTGAGE LOANS (ARM LOANS) and STRUCTURED ARM LOANS (SARM LOANS)..... 11
 - 3.01. Entering data for 5 Year, 7 Year, and 10 Year Loan Terms into “Declining Prepayment Premium Schedules including 1% Prepay” 11
 - A. 5 Year Loan Term 11
 - B. 7 Year Loan Term 12
 - D. 10 Year Loan Term 14
- 4. HYBRID ARM LOANS 15
 - 4.01. Entering data for 5 Year (5-4-3-2-1) and 10 Year (5-5-4-4-3-3-2-2-1-1) Loan Terms into “Declining Prepayment Premium Schedules including 1% Prepay” 15
 - A. 5 Year Fixed Rate Term and 25 Year Variable Rate Term 15
 - B. 10 Year Fixed Rate Term and 20 Year Variable Rate Term 16
 - 4.02. Entering data for 5 Year, 7 Year, 10 Year, 12 Year and 30 Year Terms into Declining Premium/Other Year Schedule” 18
 - A. 7 Year Fixed Rate Term and 23 Year Variable Rate Term 18
 - B. Other 5 Year, 7 Year, 10 Year, and 12 Year Fixed Term Examples 19
- 5.01. Entering data in the field “Declining Prepayment Premium Schedules including 1% Prepay”. 20
 - A. Non-Standard Lockout Period 20
 - B. Non-Standard Loan Terms 21



Job Aid: Entering Data for Fixed and Variable Rate Mortgage Loans With Declining Prepayment Premium Schedule

1. INTRODUCTION

This Job Aid details how data should be entered in the applicable Fannie Mae Acquisition Systems for any Mortgage Loan with a Declining Prepayment Premium Schedule (also known as a Graduated Prepayment Premium), including (i) fixed rate Mortgage Loans, (ii) Adjustable Rate Mortgage Loans (ARM Loans) and Structured Adjustable Rate Mortgage Loans (SARM Loans), or (iii) Hybrid ARM Loans.

In the “Prepayment Protection Type and Defeasance” section select “Other Prepayment & Defeasance Options” from the first dropdown list. If the Declining Prepayment Premium schedule for the Mortgage Loan as shown on the Loan Documents is an allowable value in the dropdown (shown as Declining Premium in the Acquisition System), select “Declining Prepayment Premium Schedules including 1% Prepay”. If the Declining Prepayment Premium schedule for the Mortgage Loan is not an allowable value in the dropdown, select “Declining Premium/Other Year Schedule”.

Please contact MF_Acquisitions@fanniemae.com with any questions.



2. FIXED RATE MORTGAGE LOANS

2.01. Declining Prepayment Premium schedule IS an allowable value in the dropdown.

A. 5 Year Loan Term

Prepayment Schedule, Acquisition System, and Disclosure

5-4-3-2-1 Schedule – 3 Month Open Period (see print screen below):

- Declining Premium:
 - From Month Field: 1;
 - To Month Field: 57;
- No Prepayment Premium (Open Period):
 - From Month Field: 58;
 - To Month Field: 60;
- Lender will need to enter into the Acquisition System (see print screen below):
 - Select “5-4-3-2-1” from dropdown box beside the “5 yr. Prepayment Protection Type/Declining Premium Schedule” field.

DUS Disclose (Annex A, UI, and Download Data File) will display:

- UI: Prepayment Protection Box will display **Prepayment Types, Terms and End Dates, and No Prepayment (Open), Term and End Date**.
- Annex A and Download Data files:
 - Prepayment Provision: 5%(12), 4%(12), 3%(12), 2%(12), 1%(9), 0%(3);
 - Prepayment Provision End Date: 5%(End Date), 4%(End Date), 3%(End Date), 2%(End Date), 1%(End Date), 0(End Date).

Prepayment Protection Type and Defeasance				
+ Please select from the list below. Selection of Other Prepayment Options will require additional data entry. (Prepayment Protection)				
+ Prepayment Protection Types and Defeasance: (Check <u>all</u> that apply. At least one Prepayment Protection Type is required.)				
<input type="checkbox"/> Prepayment Lockout	<input type="checkbox"/> Fee Maintenance	<input type="checkbox"/> Defeasance Eligibility Period		
<input type="checkbox"/> Yield Maintenance	<input type="checkbox"/> Other Prepayment Premium			
<input checked="" type="checkbox"/> Declining Premium	<input checked="" type="checkbox"/> No Prepayment Premium (Open Period)			
	From Month	To Month	Term (months)	Other
Prepayment Protection Type				
Declining Premium	1	57	57	Declining Premium Schedule Including 1% Prepay OR Other Year Schedule 3-yr 5-yr 5-4-3-2-1 7-yr 10-yr
				Delete From Month To Month Prepayment Rate (%)
No Prepayment Premium (Open Period)	58	60	3	N/A





B. 7 Year Loan Term

Prepayment Schedule, Acquisition System, and Disclosure

10-10-5-4-3-2-1 Schedule – 24 Month Lockout Period; 3 Month Open Period (see print screen below):

- Prepayment Lockout:
 - From Month Field: 1;
 - To Month Field: 24;
- Declining Premium:
 - From Month Field: 1;
 - To Month Field: 81;
- No Prepayment Premium (Open Period):
 - From Month Field: 82;
 - To Month Field: 84;
- Lender will need to enter into the Acquisition System (see print screen below):
 - Select “10-10-5-4-3-2-1” from dropdown box beside the “7 yr. Prepayment Protection Type/Declining Premium Schedule” field.

DUS Disclose (Annex A, UI, and Download Data File) will display:

- UI: Prepayment Protection Box will display **Prepayment Types, Terms and End Dates, and No Prepayment (Open), Term and End Date**.
- Annex A and Download Data files:
 - Prepayment Provision: L(24), 5%(12), 4%(12), 3%(12), 2%(12), 1%(9), Open Period(3);
 - Prepayment Provision End Date: 5%(End Date), 4%(End Date), 3%(End Date), 2%(End Date), 1%(End Date), O(End Date).



Prepayment Protection Type and Defeasance

+ Please select from the list below. Selection of Other Prepayment Options will require additional data entry. [\(Prepayment Protection\)](#)

+ Prepayment Protection Types and Defeasance: (Check all that apply. At least one Prepayment Protection Type is required.)

- Prepayment Lockout
- Yield Maintenance
- Declining Premium
- Fee Maintenance
- Other Prepayment Premium
- No Prepayment Premium (Open Period)
- Defeasance Eligibility Period

	From Month	To Month	Term (months)	Other	
Prepayment Protection Type					
Prepayment Lockout	1	24	24	N/A	
Declining Premium	1	81	81	Declining Premium Schedule Including 1% Prepay OR Other Year Schedule	
				3-yr	Delete From Month To Month Prepayment Rate (%)
				5-yr	<input type="checkbox"/>
				7-yr	10-10-5-4-3-2-1
				10-yr	
No Prepayment Premium (Open Period)	82	84	3	N/A	



C. 10 Year Loan Term

Prepayment Schedule, Acquisition System, and Disclosure

5-5-4-4-3-3-2-2-1-1 Schedule – 3 Month Open Period (see print screen below):

- Declining Premium:
 - From Month Field: 1;
 - To Month Field: 117;
- No Prepayment Premium (Open Period):
 - From Month Field: 118;
 - To Month Field: 120;
- Lender will need to enter into the Acquisition System (see print screen below):
 - Select “5-5-4-4-3-3-2-2-1-1” from dropdown box beside the “10 yr. Prepayment Protection Type/Declining Premium Schedule” field.

DUS Disclose (Annex A, UI, and Download Data File) will display:

- UI: Prepayment Protection Box will display **Prepayment Types, Terms and End Dates**, and **No Prepayment (Open), Term and End Date**.
- Annex A and Download Data files:
 - Prepayment Provision: 5% (24), 4% (24), 3% (24), 2% (24), 1% (21), O(3);
 - Prepayment Provision End Date: 5% (End Date), 4% (End Date), 3% (End Date), 2% (End Date), 1% (End Date), O (End Date).

Prepayment Protection Type and Defeasance

† Please select from the list below. Selection of Other Prepayment Options will require additional data entry. ([Prepayment Protection](#))

† Prepayment Protection Types and Defeasance: (Check all that apply. At least one Prepayment Protection Type is required.)

Prepayment Lockout Fee Maintenance Defeasance Eligibility Period
 Yield Maintenance Other Prepayment Premium
 Declining Premium No Prepayment Premium (Open Period)

Prepayment Protection Type	From Month	To Month	Term (months)	Other
Declining Premium	1	117	117	Declining Premium Schedule Including 1% Prepay OR Other Year Schedule 3-yr Delete From Month To Month Prepayment Rate (%) 5-yr <input type="checkbox"/> 7-yr 10-yr 5-5-4-4-3-3-2-2-1-1
No Prepayment Premium (Open Period)	118	120	3	N/A



2.02. Declining Prepayment Premium schedule IS NOT an allowable value in the dropdown.

“Declining Premium/Other Year Schedule” should be selected from the dropdown when the Declining Prepayment Premium Schedule for the Mortgage Loans is *not available* as an option in the dropdown box in Acquisition Systems. Lenders will need to enter in the Acquisition Systems: Select “Prepayment Lockout” (if applicable), “Declining Premium/Other Year Schedule” and “No Prepayment Premium (Open Period)” in the Prepayment Premium Protection Type and Defeasance” section.

A. 12 Year Loan Term

Prepayment Schedule, Acquisition System, and Disclosure

5-5-5-5-4-4-3-3-2-2-1-1 Schedule – 3 Month Open Period (see print screen below):

- Declining Premium:
 - From Month Field: 1;
 - To Month Field: 141;
- Other Year Schedule:
 - From Month Field: 1; To Month Field: 48; Prepayment Rate (%): 5.0000;
 - From Month Field: 49; To Month Field: 72; Prepayment Rate (%): 4.00000;
 - From Month Field: 73; To Month Field: 96; Prepayment Rate (%): 3.00000;
 - From Month Field: 97; To Month Field: 120; Prepayment Rate (%): 2.00000;
 - From Month Field: 121; To Month Field: 141; Prepayment Rate (%): 1.00000.
- No Prepayment Premium (Open Period):
 - From Month Field: 142;
 - To Month Field: 144.

DUS Disclose (UI, Annex A, and Download Data File) will display:

- UI: Prepayment Protection Box will display separate **Prepayment Types, Terms and End Dates, and No Prepayment (Open), Term and End Date.**
- Annex A and Download Data files – Prepayment Provision will display:
 - Loan Prepayment Provision: 5%(48), 4%(24), 3%(24), 2%(24), 1%(21), O(3);
 - Loan Prepayment Provision End Date: 5%(End Date), 4%(End Date), 3%(End Date), 2%(End Date), 1%(End Date), O(End Date).



Prepayment Protection Type and Defeasance

+ Please select from the list below. Selection of Other Prepayment Options will require additional data entry. [\(Prepayment Protection\)](#)
 Select Loan Term / Yield Maintenance Term... ▾

+ **Prepayment Protection Types and Defeasance:** (Check all that apply. At least one Prepayment Protection Type is required.)

Prepayment Lockout Fee Maintenance Defeasance Eligibility Period
 Yield Maintenance Other Prepayment Premium
 Declining Premium No Prepayment Premium (Open Period)

Prepayment Protection Type	From Month	To Month	Term (months)	Other																															
Declining Premium	1	141	141	Declining Premium Schedule Including 1% Prepay OR 3-yr: Select 3-yr Schedule... ▾ 5-yr: Select 5-yr Schedule... ▾ 7-yr: Select 7-yr Schedule... ▾ 10-yr: Select 10-yr Schedule... ▾																															
<table border="1" style="width: 100%;"> <thead> <tr> <th colspan="2">Other Year Schedule</th> <th>Delete</th> <th>From Month</th> <th>To Month</th> <th>Prepayment Rate (%)</th> </tr> </thead> <tbody> <tr> <td><input type="checkbox"/></td> <td>1</td> <td></td> <td>48</td> <td>5.00000</td> </tr> <tr> <td><input type="checkbox"/></td> <td>49</td> <td></td> <td>72</td> <td>4.00000</td> </tr> <tr> <td><input type="checkbox"/></td> <td>73</td> <td></td> <td>96</td> <td>3.00000</td> </tr> <tr> <td><input type="checkbox"/></td> <td>97</td> <td></td> <td>120</td> <td>2.00000</td> </tr> <tr> <td><input type="checkbox"/></td> <td>121</td> <td></td> <td>141</td> <td>1.00000</td> </tr> </tbody> </table>					Other Year Schedule		Delete	From Month	To Month	Prepayment Rate (%)	<input type="checkbox"/>	1		48	5.00000	<input type="checkbox"/>	49		72	4.00000	<input type="checkbox"/>	73		96	3.00000	<input type="checkbox"/>	97		120	2.00000	<input type="checkbox"/>	121		141	1.00000
Other Year Schedule		Delete	From Month	To Month	Prepayment Rate (%)																														
<input type="checkbox"/>	1		48	5.00000																															
<input type="checkbox"/>	49		72	4.00000																															
<input type="checkbox"/>	73		96	3.00000																															
<input type="checkbox"/>	97		120	2.00000																															
<input type="checkbox"/>	121		141	1.00000																															
No Prepayment Premium (Open Period)	142	144	3	NA																															

Transaction Fees



Loan Year	Schedule
15 Year	5-5-5-5-5-5-5-4-4-3-3-2-2-1-1
18 Year	5-5-5-5-5-5-5-4-4-3-3-2-2-1-1-1-1-1



3. ADJUSTABLE RATE MORTGAGE LOANS (ARM LOANS) and STRUCTURED ARM LOANS (SARM LOANS)

3.01. Entering data for 5 Year, 7 Year, and 10 Year Loan Terms into “Declining Prepayment Premium Schedules including 1% Prepay”

A. 5 Year Loan Term

Lender will need to enter the following into the Acquisition System in the “Prepayment Protection Type” section (see print screen below):

- Prepayment Lockout:
 - From Month Field: 1;
 - To Month Field: 12;
- Declining Premium:
 - From Month Field: 1;
 - To Month Field: 57;
- No Prepayment Premium (Open Period):
 - From Month Field: 58;
 - To Month Field: 60;
- See Prepayment Schedules available in dropdown box for ARM Loans and fixed rate Mortgage Loans.
 - Note: An ARM Loan only has the “5-1-1-1-1” option available without waiver. A SARM Loan has both “5-1-1-1-1” and the “5-4-3-2-1” options available without waivers. Select from dropdown box under the “5yr Prepayment Protection Type/Declining Premium Schedule” field.

DUS Disclose Example 5-4-3-2-1 (Annex A, UI, and Download Data File) will display:

- UI: Prepayment Protection Box will display **Prepayment Types, Terms and End Dates, and No Prepayment (Open), Term and End Date.**
- Annex A and Download Data files:
 - Prepayment Provision: 5-4-3-2-1 will display L(12), 4%(12), 3%(12), 2%(12), 1%(9), O(3);
 - Prepayment Provision End Date: L(End Date), 4%(End Date), 3%(End Date), 2%(End Date), 1%(End Date).

Prepayment Protection Types and Defeasance: (Check all that apply. At least one Prepayment Protection Type is required.)				
<input checked="" type="checkbox"/> Prepayment Lockout			<input type="checkbox"/> Fee Maintenance	<input type="checkbox"/> Defeasance Eligibility Period
<input type="checkbox"/> Yield Maintenance			<input type="checkbox"/> Other Prepayment Premium	
<input checked="" type="checkbox"/> Declining Premium			<input checked="" type="checkbox"/> No Prepayment Premium (Open Period)	
	From Month	To Month	Term (months)	Other
Prepayment Protection Type				
Prepayment Lockout	1	12	12	NA
Declining Premium	1	57	57	Declining Premium Schedule Including 1% Prepay OR Other Year Schedule Select 3-yr Schedule... Select 5-yr Schedule... 3-yr 5-4-3-2-1 5-1-1-1-1 5-2-25-1.75-1.25-1 5-1.75-1.25-1-1 5-1.25-1-1-1 10-yr 2.0-1.5-1.0-0.5 1% prepay 2% prepay 3% prepay
No Prepayment Premium (Open Period)	58	60	3	NA
Transaction Fees				



B. 7 Year Loan Term

Prepayment Schedule, Acquisition System and Disclosure

Lender will need to enter the following into the Acquisition System in the “Prepayment Protection Type” section (see print screen below):

- Prepayment Lockout:
 - From Month Field: 1;
 - To Month Field: 12;
- Declining Premium:
 - From Month Field: 1;
 - To Month Field: 81;
- No Prepayment Premium (Open Period):
 - From Month Field: 82;
 - To Month Field: 84;
- See Prepayment Schedules available in dropdown box for ARM Loans and fixed rate Mortgage Loans.
 - Note: An ARM Loan has the “5-1-1-1-1-1” option available without waiver. A SARM Loan has both “5-1-1-1-1-1” and the “5-4-3-2-1-1-1” options available without waivers. Select from dropdown box under the “7 yr Prepayment Protection Type/Declining Premium Schedule” field.

DUS Disclose Example 5-4-3-2-1-1-1 (Annex A, UI, and Download Data File) will display:

- UI: Prepayment Protection Box will display **Prepayment Types, Terms and End Dates, and No Prepayment (Open), Term and End Date.**
- Annex A and Download Data files:
 - Prepayment Provision: 5-4-3-2-1-1-1 will display L(12), 4%(12), 3%(12), 2%(12), 1%(33), O(3);
 - Prepayment Provision End Date: L(End Date), 4%(End Date), 3%(End Date), 2%(End Date), 1%(End Date).



Prepayment Protection Types and Defeasance: (Check all that apply. At least one Prepayment Protection Type is required.)

Prepayment Lockout Fee Maintenance Defeasance Eligibility Period
 Yield Maintenance Other Prepayment Premium
 Declining Premium No Prepayment Premium (Open Period)

Prepayment Protection Type	From Month	To Month	Term (months)	Other
Prepayment Lockout	1	12	12	NA
Declining Premium	1	81	81	Declining Premium Schedule Including 1% Prepay OR Other Year Schedule 3-yr Select 3-yr Schedule... 5-yr Select 5-yr Schedule... 7-yr Select 7-yr Schedule... 10-yr Select 10-yr Schedule... 5-4-3-2-1-1-1 5-1-1-1-1-1-1 5-2.25-1.75-1.25-1-1-1 5-1.75-1.25-1-1-1-1 5-1.25-1-1-1-1-1 10-10-5-4-3-2-1 1% prepay 2% prepay 3% prepay
No Prepayment Premium (Open Period)	82	84	3	NA

Transaction Fees

Note: The actual Fee Draft will occur within two business days of the Draft File Created Date.

C. 10 Year Loan Term

Prepayment Schedule, Acquisition System and Disclosure

Lender will need to enter the following into the Acquisition System in the “Prepayment Protection Type” section (see print screen below):

- Prepayment Lockout:
 - o From Month Field: 1;
 - o To Month Field: 12;
- Declining Premium:
 - o From Month Field: 1;
 - o To Month Field: 117;
- No Prepayment Premium (Open Period):
 - o From Month Field: 118;
 - o To Month Field: 120;
- See Prepayment Schedules available in dropdown box for ARM Loans and fixed rate Mortgage Loans.
 - o Note: An ARM Loan has the “5-1-1-1-1-1-1-1-1-1” option available without waiver. A SARM Loan has both “5-1-1-1-1-1-1-1-1-1” and the “5-4-3-2-1-1-1-1-1-1” options available without waivers. Select from dropdown box under the “10 yr Prepayment Protection Type/Declining Premium Schedule” field.

DUS Disclose Example 5-4-3-2-1-1-1-1-1-1 (Annex A, UI, and Download Data File) will display:

- UI: Prepayment Protection Box will display **Prepayment Types, Terms and End Dates**, and **No Prepayment (Open), Term and End Date**.
- Annex A and Download Data files:
 - o Prepayment Provision: 5-4-3-2-1-1-1-1-1-1 will display L(12), 4%(12), 3%(12), 2%(12), 1%(69), O (3);



- o Prepayment Provision End Date: L(End Date), 4%(End Date), 3%(End Date), 2%(End Date), 1%(End Date).

* Prepayment Protection Types and Deferance: (Check all that apply. At least one Prepayment Protection Type is required.)

Prepayment Lockout Fee Maintenance Deferance Eligibility Period
 Yield Maintenance Other Prepayment Premium
 Declining Premium No Prepayment Premium (Open Period)

Prepayment Protection Type	From Month	To Month	Term (months)	Other
Prepayment Lockout	1	12	12	NA
Declining Premium	1	117	117	Declining Premium Schedule Including 1% Prepay OR Other Year Schedule 3-yr Select 3-yr Schedule... 5-yr Select 5-yr Schedule... 7-yr Select 7-yr Schedule... 10-yr 5-4-3-2-1-1-1-1-1-1 5-1-1-1-1-1-1-1-1-1 5-3-25-2-75-2-25-1-75-1-25-1-1-1-1 5-2-5-2-25-1-75-1-25-1-1-1-1-1-1 5-1-75-1-5-1-25-1-1-1-1-1-1-1 5-5-4-4-3-3-2-2-1-1 1% prepay 2% prepay 3% prepay
No Prepayment Premium (Open Period)	118	120	3	NA

Transaction Fees
 Note: The actual Fee Draft will occur within two business days of the Draft File Created Date.
 Lender Fee Administration

D. 10 Year Loan Term

10 Year Loan Term	Prepayment Schedule, Acquisition System and Disclosure
	<p>ARM Loan – 10 Yr. Loan Term; 1 Yr. Lockout Period, 105 Month at 1%; 3 Month Open Period (see print screen below):</p> <ul style="list-style-type: none"> • Prepayment Lockout: <ul style="list-style-type: none"> o <u>From Month Field</u>: 1; o <u>To Month Field</u>: 12; • Declining Premium: <ul style="list-style-type: none"> o <u>From Month Field</u>: 1; o <u>To Month Field</u>: 117; • No Prepayment Premium (Open Period): <ul style="list-style-type: none"> o <u>From Month Field</u>: 118; o <u>To Month Field</u>: 120; • Lender will need to enter into the Acquisition System (see print screen below): <ul style="list-style-type: none"> o Select “1% prepay” from dropdown box beside the “10 yr. Prepayment Protection Type/Declining Premium Schedule” field. <p><u>DUS Disclose (Annex A, UI, and Download Data File) will display:</u></p>



- **UI:** Prepayment Protection Box will display **Prepayment Types, Terms and End Dates, and No Prepayment (Open), Term and End Date.**
- **Annex A and Download Data files:**
 - **Prepayment Provision:** L(12), 1%(105), O(3);
 - **Prepayment Provision End Date:** L(End Date), 1%(End Date), O(End Date).

Prepayment Protection Types and Defeasance: (Check all that apply. At least one Prepayment Protection Type is required.)

Prepayment Lockout Fee Maintenance Defeasance Eligibility Period
 Yield Maintenance Other Prepayment Premium
 Declining Premium No Prepayment Premium (Open Period)

Prepayment Protection Type	From Month	To Month	Term (months)	Other
Prepayment Lockout	1	12	12	N/A
Declining Premium	1	117	117	Declining Premium Schedule Including 1% Prepay OR Other Year Schedule 3-yr Select 3-yr Schedule... 5-yr Select 5-yr Schedule... 7-yr Select 7-yr Schedule... 10-yr 1% prepay Delete From Month To Month Prepayment Rate (%) <input type="checkbox"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="button" value="Add New Row"/> <input type="button" value="Delete Selected"/>
No Prepayment Premium (Open Period)	118	120	3	N/A

4. HYBRID ARM LOANS

Note: On a Hybrid ARM Loan, the entire adjustable rate loan term is Open, with no Prepayment Premium due.

4.01. Entering data for 5 Year (5-4-3-2-1) and 10 Year (5-5-4-4-3-3-2-2-1-1) Loan Terms into “Declining Prepayment Premium Schedules including 1% Prepay”

A. 5 Year Fixed Rate Term and 25 Year Variable Rate Term

Prepayment Schedule, Acquisition System and Disclosure	
30 year loan term – 5 year fixed rate term, and 25 year adjustable rate term(see print screen below):	
• Declining Premium:	<ul style="list-style-type: none"> ◦ From Month Field: 1; ◦ To Month Field: 60;
• No Prepayment Premium (Open Period):	<ul style="list-style-type: none"> ◦ From Month Field: 61; ◦ To Month Field: 360;
• Lender will need to enter into the Acquisition System (see print screen below):	



- o Select “5-4-3-2-1” from dropdown box beside the “5 yr. Prepayment Protection Type/Declining Premium Schedule” field.

DUS Disclose (Annex A, UI, and Download Data File) will display:

- **UI:** Prepayment Protection Box will display **Prepayment Types, Terms and End Dates**, and **No Prepayment (Open), Term and End Date**.
- **Annex A and Download Data files:**
 - o **Prepayment Provision:** 5%(12), 4%(12), 3%(12), 2%(12), 1%(12), O (300);
 - o **Prepayment Provision End Date:** 5%(End Date), 4%(End Date), 3%(End Date), 2%(End Date), 1%(End Date), O(End Date).

Prepayment Protection Types and Defeasance: (Check all that apply. At least one Prepayment Protection Type is required.)

Prepayment Lockout Fee Maintenance Defeasance Eligibility Period
 Yield Maintenance Other Prepayment Premium
 Declining Premium No Prepayment Premium (Open Period)

Prepayment Protection Type	From Month	To Month	Term (months)	Other
Declining Premium	1	60	60	Declining Premium Schedule Including 1% Prepay OR Other Year Schedule
				3-yr Select 3-yr Schedule... 5-yr 5-4-3-2-1 7-yr Select 7-yr Schedule... 10-yr Select 10-yr Schedule...
No Prepayment Premium (Open Period)	61	360	300	N/A

Delete From Month To Month Prepayment Rate (%)

B. 10 Year Fixed Rate Term and 20 Year Variable Rate Term

Prepayment Schedule, Acquisition System and Disclosure

30 year loan term – 10 year fixed rate term, and 20 year variable rate term (see print screen below):

- **Declining Premium:**
 - o **From Month Field:** 1;
 - o **To Month Field:** 120;
- **No Prepayment Premium (Open Period):**
 - o **From Month Field:** 121;
 - o **To Month Field:** 360;
- **Lender will need to enter into the Acquisition System (see print screen below):**
 - o Select “5-5-4-4-3-3-2-2-1-1” from dropdown box beside the “10 yr. Prepayment Protection Type/Declining Premium Schedule” field.

DUS Disclose (Annex A, UI, and Download Data File) will display:

- **UI:** Prepayment Protection Box will display **Prepayment Types, Terms, and End Dates** and **No Prepayment (Open), Term and End Date**.
- **Annex A and Download Data files:**



- o Prepayment Provision: 5%(24), 4%(24), 3%(24), 2%(24), 1%(24), O(240);
- o Prepayment Provision End Date: 5%(End Date), 4%(End Date), 3%(End Date), 2%(End Date), 1%(End Date), O(End Date).

Prepayment Protection Types and Defeasance: (Check all that apply. At least one Prepayment Protection Type is required.)

Prepayment Lockout Fee Maintenance Defeasance Eligibility Period
 Yield Maintenance Other Prepayment Premium
 Declining Premium No Prepayment Premium (Open Period)

Prepayment Protection Type	From Month	To Month	Term (months)	Other
Declining Premium	1	120	120	Declining Premium Schedule Including 1% Prepay OR Other Year Schedule 3-yr <input type="button" value="Select 3-yr Schedule..."/> <input type="button" value="Delete"/> From Month To Month Prepayment Rate (%) 5-yr <input type="button" value="Select 5-yr Schedule..."/> <input type="text"/> <input type="text"/> <input type="text"/> 7-yr <input type="button" value="Select 7-yr Schedule..."/> <input type="button" value="Add New Row"/> <input type="button" value="Delete Selected"/> 10-yr 5-5-4-4-3-3-2-2-1-1
No Prepayment Premium (Open Period)	121	360	240	N/A



4.02. Entering data for 5 Year, 7 Year, 10 Year, 12 Year and 30 Year Terms into Declining Premium/Other Year Schedule”

“Declining Premium/Other Year Schedule” should be selected from the dropdown when Prepayment Schedules are *not available* as options in the dropdown box in Acquisition Systems. Lenders will need to enter in the Acquisition Systems: Select “Prepayment Lockout” (if applicable), “Declining Premium/Other Year Schedule” and “No Prepayment Premium (Open Period)” in the Prepayment Premium Protection Type and Defeasance” section.

A. 7 Year Fixed Rate Term and 23 Year Variable Rate Term

Prepayment Schedule, Acquisition System and Disclosure

30 year loan term – 84 Months of Declining Premium (3-3-2-2-1-1-1); 276 Month Open Period (see print screen below):

- Declining Premium:
 - From Month Field: 1;
 - To Month Field: 84;
- Other Year Schedule:
 - From Month Field: 1; To Month Field: 24; Prepayment Rate (%): 3.00000;
 - From Month Field: 25; To Month Field: 48; Prepayment Rate (%): 2.00000;
 - From Month Field: 49; To Month Field: 84; Prepayment Rate (%): 1.00000;
- No Prepayment Premium (Open Period):
 - From Month Field: 85;
 - To Month Field: 360.

DUS Disclose (UI, Annex A, and Download Data File) will display:

- UI: Prepayment Protection Box will display separate **Percentage Types, Terms and End Dates, and No Prepayment (Open), Term and End Date.**

Annex A and Download Data files: Prepayment Provision will display:

- Loan Prepayment Type: Declining Premium;
- Loan Prepayment Provision: 3%(24), 2%(24), 1%(36), O(276);
- Loan Prepayment Provision End Date: 3%(End Date), 2%(End Date), 1%(End Date), O(End Date).



Prepayment Protection Type and Defeasance

+ Please select from the list below. Selection of Other Prepayment Options will require additional data entry. ([Prepayment Protection](#))

Select Loan Term / Yield Maintenance Term... ▾

+ Prepayment Protection Types and Defeasance: (Check all that apply. At least one Prepayment Protection Type is required.)

Prepayment Lockout Fee Maintenance Defeasance Eligibility Period

Yield Maintenance Other Prepayment Premium

Declining Premium No Prepayment Premium (Open Period)

Prepayment Protection Type	From Month	To Month	Term (months)	Other
Declining Premium	1	84	84	Declining Premium Schedule Including 1% Prepay OR 3-yr Select 3-yr Schedule... ▾ 5-yr Select 5-yr Schedule... ▾ 7-yr Select 7-yr Schedule... ▾ 10-yr Select 10-yr Schedule... ▾
No Prepayment Premium (Open Period)	85	360	276	N/A

Other Year Schedule

Delete	From Month	To Month	Prepayment Rate (%)
<input type="checkbox"/>	1	24	3.00000
<input type="checkbox"/>	25	48	2.00000
<input type="checkbox"/>	49	64	1.00000

Add New Row Delete Selected

B. Other 5 Year, 7 Year, 10 Year, and 12 Year Fixed Term Examples

See chart below showing the schedules for the 5, 7, 10, or 12 Year Hybrid ARM Loan Declining Prepayment Premium transactions, and the text to be entered in “Other Prepayment Premium – Other, Description” field.

Loan Year	Schedule
5 Year	3-2-1-1-1
7 Year	5-5-4-4-3-2-1
10 Year	3-3-3-2-2-2-1-1-1-1
12 Year	5-5-5-5-4-4-3-3-2-2-1-1



5. NON-STANDARD ARM LOANS and SARM LOANS

5.01. Entering data in the field “Declining Prepayment Premium Schedules including 1% Prepay”.

The following examples show ARM Loans and SARM Loans with non-standard Prepayment lockout periods and loan terms. The allowable value “1% Prepay” can be selected from the dropdown box for the appropriate loan term.

A. Non-Standard Lockout Period

Prepayment Schedule, Acquisition System and Disclosure

ARM Loan – 10 Yr. Loan Term, 18 Month Lockout Period, 99 Months at 1% Prepayment Premium, 3 Month Open Period (see print screen below):

- Prepayment Lockout:
 - From Month Field: 1;
 - To Month Field: 18;
- Declining Premium:
 - From Month Field: 1;
 - To Month Field: 117;
- No Prepayment Premium (Open Period):
 - From Month Field: 118;
 - To Month Field: 120;
- Lender will need to enter into the Acquisition System (see print screen below):
 - Select “1% prepay” from dropdown box beside the “10 yr. Prepayment Protection Type/Declining Premium Schedule” field.

DUS Disclose (Annex A, UI, and Download Data File) will display:

- UI: Prepayment Protection Box will display **Prepayment Types, Terms and End Dates and No Prepayment (Open), Term and End Date.**
- Annex A and Download Data files:
 - Prepayment Provision: L(18), 1%(99), O(3);
 - Prepayment Provision End Date: L(End Date), 1%(End Date), O(End Date).



Prepayment Protection Types and Defeasance: (Check all that apply. At least one Prepayment Protection Type is required.)

Prepayment Lockout Fee Maintenance Defeasance Eligibility Period
 Yield Maintenance Other Prepayment Premium
 Declining Premium No Prepayment Premium (Open Period)

Prepayment Protection Type	From Month	To Month	Term (months)	Other
Prepayment Lockout	1	18	18	N/A
Declining Premium	1	117	117	Declining Premium Schedule Including 1% Prepay OR Other Year Schedule 3-yr Select 3-yr Schedule... 5-yr Select 5-yr Schedule... 7-yr Select 7-yr Schedule... 10-yr 1% prepay Delete From Month To Month Prepayment Rate (%) <input type="checkbox"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="button" value="Add New Row"/> <input type="button" value="Delete Selected"/>
No Prepayment Premium (Open Period)	118	120	3	N/A

B. Non-Standard Loan Terms

Prepayment Schedule, Acquisition System and Disclosure

ARM Loan – 81 Month Loan Term, 12 Month Lockout Period, 66 Months at 1% Prepayment Premium, and 3 Month Open Period (see print screen below):

- Prepayment Lockout:
 - From Month Field: 1;
 - To Month Field: 12;
- Declining Premium:
 - From Month Field: 1;
 - To Month Field: 78;
- No Prepayment Premium (Open Period):
 - From Month Field: 79;
 - To Month Field: 81;
- Lender will need to enter into the Acquisition System (see print screen below):
 - Select “1% prepay” from dropdown box beside the “7 yr. Prepayment Protection Type/Declining Premium Schedule” field.

DUS Disclose (Annex A, UI, and Download Data File) will display:

- UI: Prepayment Protection Box will display **Prepayment Types, Terms and End Dates**, and **No Prepayment (Open), Term and End Date**.
- Annex A and Download Data files:
 - Prepayment Provision: L(12), 1%(66), O(3);
 - Prepayment Provision End Date: L(End Date), 1%(End Date), O(End Date).



+ Prepayment Protection Types and Defeasance: (Check all that apply. At least one Prepayment Protection Type is required.)

- Prepayment Lockout
 Fee Maintenance
 Defeasance Eligibility Period
 Yield Maintenance
 Other Prepayment Premium
 Declining Premium
 No Prepayment Premium (Open Period)

Prepayment Protection Type	From Month	To Month	Term (months)	Other
Prepayment Lockout	1	12	12	N/A
Declining Premium	1	78	78	Declining Premium Schedule Including 1% Prepay OR Other Year Schedule <input type="checkbox"/> Delete From Month To Month Prepayment Rate (%)
				3-yr <input type="text" value="Select 3-yr Schedule..."/>
				5-yr <input type="text" value="Select 5-yr Schedule..."/>
				7-yr <input type="text" value="1% prepay"/>
				10-yr <input type="text" value="Select 10-yr Schedule..."/>
<input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="text" value=""/> <input type="button" value="Add New Row"/> <input type="button" value="Delete Selected"/>				
No Prepayment Premium (Open Period)	79	81	3	N/A