
VARIABLE INTEREST RATES

Interest Rate Margin

Enter the amount of the “Margin” (as a percent) that is added to the interest rate “Index” to calculate the interest rate for the loan.

Margin Percent To Be Added to Index

?

8.0000

Number of Months Before First Payment Change Date

Enter the number of months that will occur before the day on which the interest rate will change for the first time.

For example, enter:

- 60 months for a 5-1 ARM
- 84 months for a 7-1 ARM
- 120 months for a 10-1 ARM

Number of Months before First Payment Change Date ?

84

First Interest Cap

The First Interest Cap is the maximum amount (in percentage points) that the initial interest rate may increase on the First Payment Change Date.

For example, if the initial interest rate is 7.00% and the First Interest Cap is 5.00%, the interest rate on the First Payment Change Date can never be higher than 12.00% (7.00% + 5.00%).

The maximum % increase at the first rate adjustment (if applicable, leave blank if not) ?

2.0000

Subsequent Interest Rate Cap

The Subsequent Interest Rate Cap is the maximum amount (in percentage points) that the interest rate may increase on each Payment Change Date after the First Payment Change Date.

For example, for a 5-1 ARM, the interest rate may change every 12 months after the First Payment Change Date. If the interest rate on the First Payment Change Date is 10.00% and the Subsequent Interest Rate Cap is 2.00%, the interest rate on the second Payment Change Date can never be higher than 12.00% (10.00% + 2.00%).

The maximum % increase for subsequent rate adjustments (if applicable, leave blank if not) ?

2.0000

Floor Rate Percent

The Floor Rate Percent is the lowest amount (in percentage points) that the interest rate may fall during the life of the loan.

For example, if the Floor Rate Percent is 7.00%, the interest rate for the loan will never be less than 7.00%, regardless of how much the interest rate Index goes down.

The Floor Rate Percent is usually the initial interest rate for the loan.

Enter the Minimum Interest Rate % (Floor Rate)
(if left blank, will be defaulted to 7.00%)

?

7.0000

Maximum Interest Percent Over Floor Rate

This is the lifetime interest rate cap for the loan.

For example, if the initial interest rate is 9.00% and the Maximum Interest Percent Over Floor Rate is 5.0%, the interest rate can never be higher than 12.00% over the life of the loan (7.00% + 5.00%).

Enter the Lifetime Maximum Interest Rate % Increase
Above the Initial Rate (if applicable, otherwise leave
blank) ?

5.0000

Number of Months Between Change Dates After First Payment Change Date

This is the number of months between each Payment Change Date after the First Payment Change Date.

For example, for a 5-1 ARM, there are 12 months between each Payment Change Date that occurs after the First Payment Change Date.

Alternatively, user may choose to “Use a Daily Floating Rate”. All sections that are not applicable will be blocked out.

Months between Change Dates after First Payment Change Date ?

12

Use a Daily Floating Rate

?

☐ Yes ☒ No

Variable Interest Rate Index

The Variable Interest Rate Index that is expressed as a percentage and added to a “Margin” to determine the interest rate for a loan.

For example, assume that the interest rate “Index” (e.g., Wall Street Journal Prime) is 7.5% and that the “Margin” is 2.0 %. In this example, the interest rate is 9.5% (7.5% + 2.0%).

Variable Interest Rate Index ?

Wall Street Journal Prime ▼

The Indexes in the drop-down menu include:

- Wall Street Journal Prime
- Treasury 1-Year
- Treasury 3 Year
- Treasury 5-Year
- Treasury 7-Year
- Treasury 10-Year
- 30 Day Average SOFR
- One Month CME Term SOFR
- 12-Month Term SOFR
- 6 Month Term SOFR
- 3- Month Term SOFR