

Adjustable-Rate Mortgage Terms and Conditions

Date: [Insert Date]

Borrower Name: [Insert Borrower Name]

Loan Number: [Insert Loan Number]

Property Address: [Insert Property Address]

Dear [Borrower's Name],

Thank you for choosing [Lender's Name] for your adjustable-rate mortgage. Below are the terms and conditions associated with your loan:

Loan Details:

- Loan Amount: \$[Insert Amount]
- Initial Interest Rate: [Insert Rate] %
- Initial Adjustment Period: [Insert Initial Period] (e.g., 5 years)
- Subsequent Adjustment Period: [Insert Subsequent Period] (e.g., annually)
- Lifetime Rate Cap: [Insert Cap] %
- Margin: [Insert Margin] %
- Amortization Period: [Insert Period] years

Payment Structure:

Your monthly payment will be based on the initial interest rate for the first [Insert Initial Period], after which it will adjust according to the terms stated above.

Adjustment Process:

Interest rate adjustments will be determined by [Insert Index] plus the margin specified above. You will be notified of any changes 30 days prior to the adjustment date.

Prepayment and Fees:

You may prepay your loan without penalty, however, there may be fees associated with late payments or other additional services. Please review our fee schedule for more details.

Contact Information:

If you have any questions or require further information, please do not hesitate to contact us at:

Email: [Insert Email]

Phone: [Insert Phone Number]

Thank you for your trust in [Lender's Name]. We look forward to serving your mortgage needs.

Sincerely,

[Insert Lender's Name]

[Insert Title]

[Lender's Company Name]