



## Home Equity Loan Checklist

Thank you for choosing Coast Central Credit Union for your Home Equity Loan. This checklist will ensure an easy application process and a fast turnaround on your loan! Please include the following items checked below with your completed and signed application:

- Signed and dated disclosures from your loan application package
- Recent full-month's pay stubs, reflecting year-to-date totals
- Copies of previous two years of W-2 forms
- Previous two years of Federal Income Tax Returns, signed\*
- Previous two years of Partnership Returns, K-1s, and/or Corporate Returns\*
- Social Security or Retirement Award Letter\*
- Most current Property Tax Bill
- Homeowner's Insurance Declaration Page
- Verification of balance owed on current mortgage
- Copy of First Mortgage Promissory Note
- Current statements for debts that will be paid with loan proceeds\*
- What do you estimate the current value of your home to be? \$ \_\_\_\_\_
- Insurance information:

Company: \_\_\_\_\_

Agent: \_\_\_\_\_

Phone: \_\_\_\_\_

Once again, thank you for choosing Coast Central Credit Union for your financial services needs. We look forward to working with you! Please feel free to call if you need assistance in completing the application, or if you have questions regarding any of the items listed above. We may be reached at (707) 445-8801 ext. 365 or (800) 974-9727.

\* if applicable

5/18 RD

# Uniform Residential Loan Application

This application is designed to be completed by the applicant(s) with the Lender's assistance. Applicants should complete this form as "Borrower" or "Co-Borrower", as applicable. Co-Borrower information must also be provided (and the appropriate box checked) when  the income or assets of a person other than the "Borrower" (including the Borrower's spouse) will be used as a basis for loan qualification or  the income or assets of the Borrower's spouse or other person who has community property rights pursuant to state law will not be used as a basis for loan qualification, but his or her liabilities must be considered because the spouse or other person has community property rights pursuant to applicable law and Borrower resides in a community property state, the security property is located in a community property state, or the Borrower is relying on other property located in a community property state as a basis for repayment of the loan.

If this is an application for joint credit, Borrower and Co-Borrower each agree that we intend to apply for joint credit (sign below):

Borrower \_\_\_\_\_ Co-Borrower \_\_\_\_\_

## I. TYPE OF MORTGAGE AND TERMS OF LOAN

<b>Mortgage Applied for:</b>	<input type="checkbox"/> VA	<input type="checkbox"/> Conventional	<input type="checkbox"/> Other (explain):	Agency Case Number	Lender Case Number
	<input type="checkbox"/> FHA	<input type="checkbox"/> USDA/Rural Housing Service			
Amount \$	Interest Rate %	No. of Months	<b>Amortization Type:</b>	<input type="checkbox"/> Fixed Rate	<input type="checkbox"/> Other (explain):
				<input type="checkbox"/> GPM	<input type="checkbox"/> ARM (type):

## II. PROPERTY INFORMATION AND PURPOSE OF LOAN

Subject Property Address (street, city, state, & ZIP)	No. of Units
Legal Description of Subject Property (attach description if necessary)	Year Built
Purpose of Loan <input type="checkbox"/> Purchase <input type="checkbox"/> Construction <input type="checkbox"/> Other (explain):	Property will be:
<input type="checkbox"/> Refinance <input type="checkbox"/> Construction-Permanent	<input type="checkbox"/> Primary Residence <input type="checkbox"/> Secondary Residence <input type="checkbox"/> Investment

**Complete this line if construction or construction-permanent loan.**

Year Lot Acquired	Original Cost	Amount Existing Liens	(a) Present Value of Lot	(b) Cost of Improvements	Total (a+b)
	\$	\$	\$	\$	\$

**Complete this line if this is a refinance loan.**

Year Acquired	Original Cost	Amount Existing Liens	Purpose of Refinance	Describe Improvements	Cost: \$
	\$	\$		<input type="checkbox"/> made <input type="checkbox"/> to be made	

Title will be held in what Name(s)	Manner in which Title will be held	Estate will be held in:
Source of Down Payment, Settlement Charges and/or Subordinate Financing (explain)		<input type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold (show expiration date)

## III. BORROWER INFORMATION

Borrower	Co-Borrower
Borrower's Name (include Jr. or Sr. if applicable)	Co-Borrower's Name (include Jr. or Sr. if applicable)
Social Security Number	Social Security Number
Home Phone (incl. area code)	Home Phone (incl. area code)
DOB (mm/dd/yyyy)	DOB (mm/dd/yyyy)
Yrs. School	Yrs. School
<input type="checkbox"/> Married (includes registered domestic partners)	<input type="checkbox"/> Married (includes registered domestic partners)
<input type="checkbox"/> Unmarried (includes single, divorced, widowed)	<input type="checkbox"/> Unmarried (includes single, divorced, widowed)
<input type="checkbox"/> Separated	<input type="checkbox"/> Separated
Dependents (not listed by Co-Borrower)	Dependents (not listed by Borrower)
No. _____	No. _____
Ages _____	Ages _____
Present Address (street, city, state, ZIP/ country) <input type="checkbox"/> Own <input type="checkbox"/> Rent ___ No. Yrs.	Present Address (street, city, state, ZIP/ country) <input type="checkbox"/> Own <input type="checkbox"/> Rent ___ No. Yrs.
Mailing Address, if different from Present Address	Mailing Address, if different from Present Address

**If residing at present address for less than two years, complete the following:**

Former Address (street, city, state, ZIP) <input type="checkbox"/> Own <input type="checkbox"/> Rent ___ No. Yrs.	Former Address (street, city, state, ZIP) <input type="checkbox"/> Own <input type="checkbox"/> Rent ___ No. Yrs.
Former Address (street, city, state, ZIP) <input type="checkbox"/> Own <input type="checkbox"/> Rent ___ No. Yrs.	Former Address (street, city, state, ZIP) <input type="checkbox"/> Own <input type="checkbox"/> Rent ___ No. Yrs.

Borrower		IV. EMPLOYMENT INFORMATION				Co-Borrower	
Name & Address of Employer	<input type="checkbox"/> Self Employed	Yrs. on this job		Name & Address of Employer	<input type="checkbox"/> Self Employed	Yrs. on this job	
		Yrs. employed in this line of work/profession				Yrs. employed in this line of work/profession	
Position/Title/Type of Business		Business Phone (incl. area code)		Position/Title/Type of Business		Business Phone (incl. area code)	

**If employed in current position for less than two years or if currently employed in more than one position, complete the following:**

Name & Address of Employer	<input type="checkbox"/> Self Employed	Dates (from-to)		Name & Address of Employer	<input type="checkbox"/> Self Employed	Dates (from-to)
		Monthly Income \$				Monthly Income \$
Position/Title/Type of Business		Business Phone (incl. area code)		Position/Title/Type of Business		Business Phone (incl. area code)
Name & Address of Employer	<input type="checkbox"/> Self Employed	Dates (from-to)		Name & Address of Employer	<input type="checkbox"/> Self Employed	Dates (from-to)
		Monthly Income \$				Monthly Income \$
Position/Title/Type of Business		Business Phone (incl. area code)		Position/Title/Type of Business		Business Phone (incl. area code)
Name & Address of Employer	<input type="checkbox"/> Self Employed	Dates (from-to)		Name & Address of Employer	<input type="checkbox"/> Self Employed	Dates (from-to)
		Monthly Income \$				Monthly Income \$
Position/Title/Type of Business		Business Phone (incl. area code)		Position/Title/Type of Business		Business Phone (incl. area code)
Name & Address of Employer	<input type="checkbox"/> Self Employed	Dates (from-to)		Name & Address of Employer	<input type="checkbox"/> Self Employed	Dates (from-to)
		Monthly Income \$				Monthly Income \$
Position/Title/Type of Business		Business Phone (incl. area code)		Position/Title/Type of Business		Business Phone (incl. area code)
Name & Address of Employer	<input type="checkbox"/> Self Employed	Dates (from-to)		Name & Address of Employer	<input type="checkbox"/> Self Employed	Dates (from-to)
		Monthly Income \$				Monthly Income \$
Position/Title/Type of Business		Business Phone (incl. area code)		Position/Title/Type of Business		Business Phone (incl. area code)

**V. MONTHLY INCOME AND COMBINED HOUSING EXPENSE INFORMATION**

Gross Monthly Income	Borrower	Co-Borrower	Total	Combined Monthly Housing Expense	Present	Proposed
Base Empl. Income*	\$	\$	\$	Rent	\$	
Overtime				First Mortgage (P&I)		\$
Bonuses				Other Financing (P&I)		
Commissions				Hazard Insurance		
Dividends/Interest				Real Estate Taxes		
Net Rental Income				Mortgage Insurance		
Other (before completing, see the notice in "describe other income," below)				Homeowner Assn. Dues		
				Other:		
Total	\$	\$	\$	Total	\$	\$

\* Self Employed Borrower(s) may be required to provide additional documentation such as tax returns and financial statements.

**Describe Other Income**      **Notice:** Alimony, child support, or separate maintenance income need not be revealed if the Borrower (B) or Co-Borrower (C) does not choose to have it considered for repaying this loan.

B/C	Monthly Amount
	\$



VII. DETAILS OF TRANSACTION		VIII. DECLARATIONS				
a. Purchase price	\$	<b>If you answer "Yes" to any questions a through i, please use continuation sheet for explanation.</b> a. Are there any outstanding judgments against you? b. Have you been declared bankrupt within the past 7 years? c. Have you had property foreclosed upon or given title or deed in lieu thereof in the last 7 years? d. Are you a party to a lawsuit? e. Have you directly or indirectly been obligated on any loan which resulted in foreclosure, transfer of title in lieu of foreclosure, or judgment? <small>(This would include such loans as home mortgage loans, SBA loans, home improvement loans, educational loans, manufactured (mobile) home loans, any mortgage, financial obligation, bond, or loan guarantee. If "Yes," provide details, including date, name, and address of Lender, FHA or VA case number, if any, and reasons for the action.)</small> f. Are you presently delinquent or in default on any Federal debt or any other loan, mortgage, financial obligation, bond, or loan guarantee? <small>If "Yes," give details as described in the preceding question.</small> g. Are you obligated to pay alimony, child support, or separate maintenance? h. Is any part of the down payment borrowed? i. Are you a co-maker or endorser on a note? ----- j. Are you a U. S. citizen? k. Are you a permanent resident alien? <b>l. Do you intend to occupy the property as your primary residence?</b> <small>If "Yes," complete question m below.</small> m. Have you had an ownership interest in a property in the last three years? (1) What type of property did you own-principal residence (PR), second home (SH), or investment property (IP)? ----- (2) How did you hold title to the home-solely by yourself (S), jointly with your spouse (SP), or jointly with another person (O)? -----	<b>Borrower</b>		<b>Co-Borrower</b>	
b. Alterations, improvements, repairs			<b>Yes</b>	<b>No</b>	<b>Yes</b>	<b>No</b>
c. Land (if acquired separately)			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. Refinance (incl. debts to be paid off)			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e. Estimated prepaid items			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f. Estimated closing costs			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
g. PMI, MIP, Funding Fee			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
h. Discount (if Borrower will pay)			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
i. Total costs (add items a through h)			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
j. Subordinate financing			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
k. Borrower's closing costs paid by Seller			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
l. Other Credits (explain)			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
m. Loan amount (exclude PMI, MIP, Funding Fee financed)			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
n. PMI, MIP, Funding Fee financed			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
o. Loan amount (add m & n)		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
p. Cash from/to Borrower (subtract j, k, l & o from i)		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

**IX. ACKNOWLEDGEMENT AND AGREEMENT**

Each of the undersigned specifically represents to Lender and to Lender's actual or potential agents, brokers, processors, attorneys, insurers, servicers, successors and assigns and agrees and acknowledges that: (1) the information provided in this application is true and correct as of the date set forth opposite my signature and that any intentional or negligent misrepresentation of this information contained in this application may result in civil liability, including monetary damages, to any person who may suffer any loss due to reliance upon any misrepresentation that I have made on this application, and/or in criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Sec. 1001, et seq.; (2) the loan requested pursuant to this application (the "Loan") will be secured by a mortgage or deed of trust on the property described in this application; (3) the property will not be used for any illegal or prohibited purpose or use; (4) all statements made in this application are made for the purpose of obtaining a residential mortgage loan; (5) the property will be occupied as indicated in this application; (6) the Lender, its servicers, successors or assigns may retain the original and/or an electronic record of this application, whether or not the loan is approved; (7) the Lender and its agents, brokers, insurers, servicers, successors and assigns may continuously rely on the information contained in the application, and I am obligated to amend and/or supplement the information provided in this application if any of the material facts that I have represented herein should change prior to closing of the Loan; (8) in the event that my payments on the Loan become delinquent, the Lender, its servicers, successors, or assigns may, in addition to any other rights and remedies that it may have relating to such delinquency, report my name and account information to one or more consumer credit reporting agencies; (9) ownership of the Loan and/or administration of the Loan account may be transferred with such notice as may be required by law; (10) neither Lender nor its agents, brokers, insurers, servicers, successors or assigns has made any representation or warranty, express or implied, to me regarding the property or the condition or value of the property; and (11) my transmission of this application as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or my facsimile transmission of this application containing a facsimile of my signature, shall be as effective, enforceable and valid as if a paper version of this application were delivered containing my original written signature.

**Acknowledgement.** Each of the undersigned hereby acknowledges that any owner of the Loan, its servicers, successors and assigns, may verify or reverify any information contained in this application or obtain any information or data relating to the Loan, for any legitimate purpose through any source, including a source named in this application or a consumer reporting agency.

Borrower's Signature <b>X</b>	Date	Co-Borrower's Signature <b>X</b>	Date
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**X. INFORMATION FOR GOVERNMENT MONITORING PURPOSES**

The following information is requested by the Federal Government for certain types of loans related to a dwelling in order to monitor the lender's compliance with equal credit opportunity, fair housing and home mortgage disclosure laws. You are not required to furnish this information, but are encouraged to do so. The law provides that a Lender may not discriminate either on the basis of this information, or on whether you choose to furnish it. If you furnish the information, please provide both ethnicity and race. For race, you may check more than one designation. If you do not furnish ethnicity, race, or sex, under Federal regulations, this lender is required to note the information on the basis of visual observation and surname if you have made this application in person. If you do not wish to furnish the information, please check the box below. (Lender must review the above material to assure that the disclosures satisfy all requirements to which the lender is subject under applicable state law for the particular type of loan applied for.)

<b>BORROWER</b> <input type="checkbox"/> I do not wish to furnish this information <b>Ethnicity:</b> <input type="checkbox"/> Hispanic or Latino <input type="checkbox"/> Not Hispanic or Latino <b>Race:</b> <input type="checkbox"/> American Indian or Alaska Native <input type="checkbox"/> Asian <input type="checkbox"/> Black or African American <input type="checkbox"/> White <input type="checkbox"/> Native Hawaiian or Other Pacific Islander <b>Sex:</b> <input type="checkbox"/> Female <input type="checkbox"/> Male	<b>CO-BORROWER</b> <input type="checkbox"/> I do not wish to furnish this information <b>Ethnicity:</b> <input type="checkbox"/> Hispanic or Latino <input type="checkbox"/> Not Hispanic or Latino <b>Race:</b> <input type="checkbox"/> American Indian or Alaska Native <input type="checkbox"/> Asian <input type="checkbox"/> Black or African American <input type="checkbox"/> White <input type="checkbox"/> Native Hawaiian or Other Pacific Islander <b>Sex:</b> <input type="checkbox"/> Female <input type="checkbox"/> Male
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**To be Completed by Loan Originator:**  
 This information was provided:  
 In a face-to-face interview  By the applicant and submitted by fax or mail  
 In a telephone interview  By the applicant and submitted via e-mail or the internet

Loan Originator's Signature <b>X</b>	Date
Loan Originator's Name (print or type)	Loan Originator Identifier
Loan Origination Company's Name	Loan Origination Company Identifier
	Loan Originator's Phone Number (including area code)
	Loan Origination Company's Address

## Continuation Sheet/Residential Loan Application

Use this continuation sheet if you need more space to complete the Residential Loan Application. Mark **B** for Borrower or **C** for Co-Borrower.

Borrower:	Agency Case Number:
Co-Borrower:	Lender Case Number:

I/We fully understand that it is a Federal crime punishable by fine or imprisonment, or both, to knowingly make any false statements concerning any of the above facts as applicable under the provisions of Title 18, United States Code, Section 1001, et seq.

Borrower's Signature	Date	Co-Borrower's Signature	Date
<b>X</b>		<b>X</b>	

# Borrower Signature Authorization

**Privacy Act Notice:** This information is to be used by the agency collecting it or its assignees in determining whether you qualify as a prospective mortgagor under its program. It will not be disclosed outside the agency except as required and permitted by law. You do not have to provide this information, but if you do not your application for approval as a prospective mortgagor or borrower may be delayed or rejected. The information requested in this form is authorized by Title 38, USC, Chapter 37 (if VA); by 12 USC, Section 1701 et. seq. (if HUD/FHA); by 42 USC, Section 1452b (if HUD/CPD); and Title 42 USC, 1471 et. seq., or 7 USC, 1921 et. seq. (if USDA/FmHA).

## Part I - General Information

1. Borrower(s)		2. Name and address of Lender/Broker <b>COAST CENTRAL CREDIT UNION</b> <b>2650 HARRISON AVENUE</b> <b>Eureka, CA 95501</b> <b>TEL: 707-445-8801 FAX: 707-497-3420</b>	
3. Date	4. Loan Number		

## Part II - Borrower Authorization

I hereby authorize the Lender/Broker to verify my past and present employment earnings records, bank accounts, stock holdings, and any other asset balances that are needed to process my mortgage loan application. I further authorize the Lender/Broker to order a consumer credit report and verify other credit information, including past and present mortgage and landlord references. It is understood that a copy of this form will also serve as authorization.

The information the Lender/Broker obtains is only to be used in the processing of my application for a mortgage loan.

\_\_\_\_\_  
Borrower

\_\_\_\_\_  
Date

\_\_\_\_\_  
Borrower

\_\_\_\_\_  
Date

# SUBJECT PROPERTY QUESTIONNAIRE

Property Address \_\_\_\_\_

Contact Person \_\_\_\_\_ Home Phone \_\_\_\_\_ Work Phone \_\_\_\_\_

Are you going out of town soon  Yes  No Email address: \_\_\_\_\_

Occupancy:  Primary Residence  Second Home  Investment Property

Date property acquired: \_\_\_\_\_ Purchase price when acquired: \$ \_\_\_\_\_ Estimated value: \$ \_\_\_\_\_

Property Type:  Single Family Dwelling  Condo  PUD

Multi/Family: 2, 3 or 4 units (circle one)  Manufactured Home- Perm foundation w/ 433A:  Yes  No

Age of home: \_\_\_\_\_ Approx. age of roof \_\_\_\_\_

Res. sq. ft., approx: \_\_\_\_\_ Approx. lot size/acreage \_\_\_\_\_ Garage sq. ft., approx: \_\_\_\_\_

Any construction or renovation in progress: If so, explain:  
\_\_\_\_\_  
\_\_\_\_\_

Smoke detector installed:  Yes  No Carbon Monoxide Detector Installed:  Yes  No Water heater double strapped:  Yes  No  
(If NO, advise member they will need to have one installed)

Well or Septic System:  Yes  No (if yes may require additional documentation depending on appraisal)

Is the property in a flood zone:  Yes  No (if yes, Flood Hazard Notice required within 10 days: Escrow/Impound account required for all 1<sup>st</sup> Mortgages with exception to manufactured homes in a park)

Has the property been listed or offered for sale in the last 12 months:  Yes  No if yes how long ago \_\_\_\_\_

Is it accessible year-round 24/7:  Yes  No

Is or will the property be vested in a Trust:  Yes  No if yes will need a trust membership opened with CCCU verify Trust Cert/Application and Agreement for Credit Union Account in name of Trustee(s) on file

## Please fill out the below for Home Equity Loans and HELOCS in place of an appraisal

Total rooms (excluding baths): \_\_\_\_\_ # of Outbuildings \_\_\_\_\_ (Barn, shop, Guest, Mother-in-Law)

Interior:  Living Room  Family Room  Dining Room  Kitchen  Den

Bedrooms: \_\_\_\_\_ Bathrooms: \_\_\_\_\_ Other: \_\_\_\_\_

Garage:  Attached  Detached  Single Garage  Double Garage  Triple Garage

Heat Source:  Fireplace  Central Heat/Air  Floor Furnace  Pellet Stove

Wood Stove  Wall Heater

Basement:  Unfinished  Finished  Heated Approx. Sq. Ft. \_\_\_\_\_

Full Bath  ½ Bath  Kitchen Facilities \_\_\_\_\_

Applicant's Signature: \_\_\_\_\_

For Credit Union Use:

VeroSelect - Confidence score: L M H OR  Corelogic- Confidence score: \_\_\_\_\_

Low VeroSelect score or Corelogic score under 60 requires additional approval





**HOME EQUITY LINE OF CREDIT  
EARLY FEDERAL DISCLOSURE**

**IMPORTANT INFORMATION—PLEASE READ CAREFULLY**

If you wish to apply for a Home Equity Line of Credit, you should read the following information carefully.

In this Early Federal Disclosure ("Disclosure"), the words "You," "Your," and "Yours" mean all those who are or may be applicants for a Home Equity Line of Credit with us. The words "We," "Us," and "Our" mean COAST CENTRAL CREDIT UNION. The word "Note" means the Home Equity Line of Credit Open-End Variable Rate Note and Federal Disclosure Statement for Loans Secured by Real Estate. The word "Account" means the real estate-secured line of credit account in the amount of the credit limit which you will establish for me pursuant to the Note.

**Retention of Information:** This disclosure contains important information about our Home Equity Line of Credit. You should read it carefully and keep a copy for your records.

**Availability of Terms:** All of the terms described in this "Early Federal Disclosure" are subject to change. If these terms change, (other than a change in the ANNUAL PERCENTAGE RATE) and you decide, as a result, not to enter into the Note with us, you are entitled to a refund of any fees you paid to us or anyone else in connection with your application.

**Security Interest in Your Home:** We will take a Deed of Trust (mortgage) on your home in connection with this Home Equity Line of Credit. You could lose your home if you do not meet the obligations in your Note with us.

**Possible Creditor Actions:** We can terminate your Home Equity Line of Credit with us, require you to pay us the entire unpaid balance in one payment, and charge you certain fees if:

- You engage in fraud or material misrepresentation in connection with the Home Equity Line of Credit;
- You do not meet the repayment terms under the Note; or
- Your action or inaction adversely affects the security for the Home Equity Line of Credit (your dwelling) or our rights in the Security.

We can refuse to make additional extensions of credit or reduce your Home Equity Line of Credit limit if:

- The value of the dwelling securing the Home Equity Line of Credit declines significantly below its appraised value for purposes of the line;
- We reasonably believe you will not be able to meet the repayment requirements due to a material change in your financial Circumstances;
- You are in default of a material obligation in the Note;
- Government action prevents us from imposing the ANNUAL PERCENTAGE RATE provided for under the Note or impairs our security interest such that the value of the interest therein is less than 120 percent of the credit line;
- A regulatory agency has notified us that continued advances under your Home Equity Line of Credit with us would constitute an unsafe and unsound practice; or
- The maximum ANNUAL PERCENTAGE RATE under the Note is reached.

The Note permits us to make certain changes to its terms at specified times or upon the occurrence of specified events.

Draw Period and Repayment Terms: You will be permitted to take advances upon your Home Equity Line of Credit with us (up to your available credit limit) for a period ending on the tenth (10<sup>th</sup>) anniversary of the date of your Note. This is known as the "Draw Period." After the Draw Period ends, you will no longer be permitted to obtain advances, but you will be required to pay your Minimum Monthly Payments in order to "pay off" the unpaid balance of your Home Equity Line of Credit plus any interest and other applicable fees and charges under the Note over a fifteen (15) year period. This is known as the "Repayment Period."

A Minimum Monthly Payment is required during both the Draw and Repayment Periods.

Your Minimum Monthly Payment is subject to change following each additional advance during the Draw Period and at each Adjustment Date during the Draw and Prepayment Periods.

Your Minimum Monthly Payment will be based on: 1) your unpaid balance after your most recent advance; 2) the ANNUAL PERCENTAGE RATE in effect at the time of the advance; and 3) an amortization period of fifteen (15) years. Thereafter, except in the event of an additional advance, your Minimum Monthly Payment will change at each Adjustment Date and will be based on: 1) your unpaid balance after your most recent advance; 2) the ANNUAL PERCENTAGE RATE in effect at the Adjustment Date; and 3) the remaining term of the fifteen (15) year amortization period.

Your Minimum Monthly Payment will also change at the time of each additional advance and will be based on: 1) your unpaid balance after your most recent advance; 2) the ANNUAL PERCENTAGE RATE in effect at the time of the additional advance; and 3) a new fifteen (15) year amortization period. Thereafter, except in the event of an additional advance, your Minimum Monthly Payment will change at each Adjustment Date and will be based on: 1) your unpaid balance after your most recent advance; 2) the ANNUAL PERCENTAGE RATE in effect at the Adjustment Date; and 3) the remaining term of the fifteen (15) year amortization period.

However, in no event will the Minimum Monthly Payment be less than 1) \$50, or 2) the unpaid balance, whichever is less, plus FINANCE CHARGES and late charges, if any. Also, if any amount is past due, this past due amount must be paid in addition to your Minimum Monthly Payment. If any amount exceeds your credit limit, the amount in excess of your credit limit must be paid in addition to your Minimum Monthly Payment. You understand and agree that your Minimum Monthly Payment is applied in the following order: (a) late charges, if any, (b) FINANCE CHARGES, and (c) unpaid balance.

Minimum Payment Example: Assume you obtain a \$10,000 advance under your Home Equity Line of Credit with us with an ANNUAL PERCENTAGE RATE of 4.75%. Assume further, for purposes of this example, that the ANNUAL PERCENTAGE RATE remains at this rate (although your ANNUAL PERCENTAGE RATE will be variable under the terms of the Note). Your Minimum Monthly Payment of \$77.81 would require 180 months to pay off the entire balance if you made only Minimum Monthly Payments (on a timely basis) and you did not obtain any additional advances. During that period, you would make 179 monthly payments of \$77.81, with one final payment of \$76.56.

Fees and Charges: To open and maintain a Home Equity Line of Credit with us, you must pay us the following fees:

- |   |                               |
|---|-------------------------------|
| a. Document Preparation Fee:                | None                          |
| b. Reconveyance Fee:                        | \$58.00 (e)                   |
| c. Application Fee:                         | None                          |
| d. Annual Fee:                              | None                          |
| e. Points:                                  | None                          |
| f. Transaction Fee for Subsequent Advances: | None                          |
| g. Mutual Modification (Processing) Fee:    | Up to 1% of your credit limit |
| h. Demand Fee:                              | \$30.00 (e)                   |

With the exception of the Application Fee, Annual Fee, and Mutual Modification Fee, these fees and charges will be collected from you directly at the time of the closing of the loan and/or deducted from your loan proceeds. The Application Fee is payable at the time you submit your application and is non-refundable, to the extent permitted by law, once three (3) business days after you have received this Disclosure have passed. The Mutual Modification Fee is charged at the time of any Mutual Modification to the Note. The Annual Fee is charged as an advance on your first billing cycle and each year thereafter.

Cancellation Fee: In the event your Account is closed during the period ending on the third (3<sup>rd</sup>) anniversary of your Note, you will pay a Cancellation Fee of \$400.00, which amount must be paid prior to the issuance of a reconveyance, unless the property has been sold.

Good Faith Estimate of Third Party Fees and Charges:

A Good Faith Estimate of Fees that you may be responsible for is as follows:

- a. Appraisal Fee: \$0-\$500 (e)
- b. Recording Fee: \$0-\$65 (e)
- c. Title Insurance: \$0-\$500 (e)
- d. Escrow Fee: \$0-\$250 (e)

An (e) means that the charge is an estimate and is subject to change.

With the exception of the Appraisal Fee, these third party fees and charges will be collected from you directly at the time of the closing of the loan and/or deducted from your loan proceeds. The Appraisal Fee is payable at the time you submit your application. The cost of the Title Insurance Policy is passed on to you at our cost in accordance with a Schedule of Fees as determined by the Title Insurance Company.

Property Insurance: In addition to the various fees and charges set forth above, you understand and agree that you must maintain dwelling insurance (and if the property is now or at some future date is determined to be located in a flood hazard area qualifying for and having available flood insurance under the National Flood Insurance Act of 1968/National Flood Insurance Reform Act of 1994, then flood insurance) on the security, naming us as Loss Payee and fully insuring the property against loss or damage by fire and other standard perils. You may obtain this insurance from a person of your own choosing. If you do not get this insurance, we may obtain this insurance and add its cost to your loan and you agree to pay for it. Any amount spent by us for insurance will be added to the unpaid balance on your loan and will accrue FINANCE CHARGES. The proceeds of any insurance policy on the security, whether or not required by us, shall be applied solely to repairs of the security or repayment of the loan.

Negative Amortization: Under some circumstances, your monthly payments will not cover the FINANCE CHARGES that are payable (generally if you do not pay at least your Minimum Monthly Payments on a timely basis or take advances between payment due dates or ANNUAL PERCENTAGE RATE Adjustment Dates), such that "Negative Amortization" will occur. If this occurs, it will increase your unpaid FINANCE CHARGES and reduce your equity in your home.

Minimum Draw Requirements: Minimum advance of \$500.

Tax Deductibility: FINANCE CHARGES and other fees and charges on your Home Equity Line of Credit may be tax deductible. You should consult a professional tax advisor regarding the deductibility of interest and charges under the Home Equity Line of Credit.

Variable Rate Features: This Home Equity Line of Credit contains provisions for a Variable ANNUAL PERCENTAGE (interest) RATE. The ANNUAL PERCENTAGE RATE and the term of repayment may change as a result.

The ANNUAL PERCENTAGE RATE includes only interest and no other costs.

How we determine changes in your ANNUAL PERCENTAGE RATE: The ANNUAL PERCENTAGE RATE may increase or decrease on a quarterly basis during the term of the Note. Any such change will be based on an increase or decrease in the average rate of 26-week Treasury Bills as published daily in the *Wall Street Journal* under the heading "Money Rates," rounded to the nearest ¼ %, for the 13-week periods preceding March 1, June 1, September 1, and December 1 of each year (herein "Index"). In the event that the 26-week Treasury Bill Rate ceases to be published, changes to the ANNUAL PERCENTAGE RATE will be related to a comparable Index as permitted under the Change of Terms provisions set forth in the Note.

During certain promotional programs, the Initial ANNUAL PERCENTAGE RATE may be "discounted" and it will not be based on the Index and the margin used to make later adjustments. The "discount" will be in effect for the period as set forth in the Note or attached addendum. Thereafter, your ANNUAL PERCENTAGE RATE is determined by adding a fixed amount (a "margin"), which will be set forth in the Note to the Index as of each "Adjustment Date."

Ask us for our current Index values, margin, discount, and ANNUAL PERCENTAGE RATE. After you open the Home Equity Line of Credit, the ANNUAL PERCENTAGE RATE will be provided on monthly statements that we send to you.

Rate Changes: Your ANNUAL PERCENTAGE RATE is subject to change once every three (3) months on April 1, July 1, October 1, and January 1 of each year. These dates shall be known as "Adjustment Dates." The Index in effect on March 1 shall be used to calculate the ANNUAL PERCENTAGE RATE change effective April 1 of the same year. The Index in effect on June 1 shall be used to calculate the ANNUAL PERCENTAGE RATE change effective July 1 of the same year. The Index in effect September 1 shall be

used to calculate the ANNUAL PERCENTAGE RATE change effective October 1 of the same year. The Index in effect on December 1 shall be used to calculate the ANNUAL PERCENTAGE RATE change effective January 1 of the following year.

**Maximum and Minimum Rate:** The maximum ANNUAL PERCENTAGE RATE during the term of the Note shall not exceed 6% above the initial ANNUAL PERCENTAGE RATE set forth in the Note, except that the maximum may not exceed the maximum ANNUAL PERCENTAGE RATE permitted California state-chartered credit unions at the time of each ANNUAL PERCENTAGE RATE change. Under no circumstances during the term of the Note will the interest rate ever be less than 3.50% per annum. There are no annual (or quarterly) limitations on changes in the ANNUAL PERCENTAGE RATE during the term of the Note. Decreases in the ANNUAL PERCENTAGE RATE in accordance with the terms of the Note are mandatory. Increases in the ANNUAL PERCENTAGE RATE in accordance with the terms of the Note are at our discretion. Any increase or decrease in the ANNUAL PERCENTAGE RATE may result in charges in the amount of the payments required to repay the unpaid balance.

**Maximum Rate and Payment Examples:** Assume: 1) an Initial ANNUAL PERCENTAGE RATE of 4.75%; 2) that the ANNUAL PERCENTAGE RATE reached the maximum of 10.75%\*\*\*; and 3) that you had an initial advance of \$10,000. Assuming no overlimit or past due amounts, the Minimum Monthly Payment during the Draw Period and the Repayment Period would be \$112.16, with one final payment of \$111.40. The maximum ANNUAL PERCENTAGE RATE could be reached at the First Adjustment Date.

**Historical Example:** The following table shows how the ANNUAL PERCENTAGE RATE and the Minimum Monthly Payments for a single \$10,000 credit advance would have changed based on changes in the Index over the past fifteen (15) years. The Index values for the 26-Week U.S. Treasury Bill Rate are from July of each year. The table assumes only an annual change in the ANNUAL PERCENTAGE RATE and Minimum Monthly Payment. As set forth above, your ANNUAL PERCENTAGE RATE is subject to change once every three (3) months on April 1, July 1, October 1, and January 1 of each year. Your Minimum Monthly Payments are subject to change after each advance and at each Adjustment Date.

The table assumes that no additional credit advances were taken, that only the Minimum Monthly Payments were made, and that the ANNUAL PERCENTAGE RATE remained constant during each year. It does not necessarily indicate how the Index or your Minimum Monthly Payments will change in the future.

Year	Rate	Index	Margin*		ANNUAL PERCENTAGE RATE	Minimum Monthly Payments
	(%)	(%)	(%)		(%)	(%)
2002	5.50	2.00	3.50	DRAW PERIOD	5.50	81.72
2003	3.99**	1.00	3.25		4.25	75.24
2004	4.75	1.00	3.75		4.75	77.79
2005	5.50	3.00	2.50		5.50	81.68
2006	6.75	4.75	2.00		6.75	88.49
2007	7.00	4.75	2.25		7.00	89.89
2008	5.25	1.75	3.50		5.25	80.41
2009	5.75	0.25	5.50		5.75	83.08
2010	5.75	0.25	5.50		5.75	83.08
2011	5.75	0.25	5.50		5.75	83.08
2012	5.00	0.25	4.75		REPAYMENT PERIOD	5.00
2013	4.75	0.00	4.75	4.75		77.81
2014	4.25	0.00	4.25	4.25		75.23
2015	4.25	0.00	4.25	4.25		75.23
2016	4.50*	0.50	4.00	4.50		76.52
2017	4.75	0.75	4.00	4.75		77.80

\* This is a margin we have used recently

\*\* This rate reflects a "discount" that we have used recently.

\*\*\* This rate reflects a maximum rate under the terms of the Note.