

SEFCU Home Equity Financing

Thank you for choosing SEFCU for your home equity financing. Our home equity products include special benefits such as:

- **Your choice of a low, fixed or variable interest rate**

- With SEFCU's **fixed-rate home equity loan**, your payments remain constant for the entire loan term.
- Choose our **variable-rate home equity line of credit** and opt for a discounted initial rate, followed by rates based on Prime, plus a margin thereafter.

- **No closing costs***

- SEFCU does not charge points, attorney fees, or application fees for our home equity products.

- **The convenience of automatic payments**

Included with this Home Equity Application is a fact sheet on SEFCU's home equity products, as well as a checklist to help you complete your application. After reviewing these materials, please complete the application and return it along with the items noted on the checklist. You may drop your application off at any one of our branches or return it by mail. Or, if you prefer, you can apply securely online at www.sefcu.com or by phone at 800-727-3328.

Should you have any questions about our home equity loan products, please call our Member Solutions Center or stop by any SEFCU branch.

Checklist for Fixed-Rate and Line of Credit Applications

- Completed loan application
- Copy of your most recent and legible deed
- Copy of your most recent tax receipts for school and property taxes, or year-end mortgage statement, if taxes are escrowed
- Verification of income

Please note: The enclosed home equity loan fact sheet is for your records. To expedite the processing of your loan request, please provide all of the information listed above at the time of application.

If you choose to return your application by mail, please send it to:

SEFCU Home Equity Lending Department
P.O. Box 12189
Albany, NY 12212

* There are no closing costs with the exception of the New York State Mortgage Tax (rate varies by county). Title insurance is required and paid by the borrower(s) on loan amounts and lines over \$200,000. It is also required on applications for properties owned by trusts (subject to trust acceptability), and for lines/loans for the purpose of title buyout transactions regardless of line/loan amount or loan to value. Applicant pays the recording fees for fixed rate modifications.

Home Equity Loan Facts

Eligible Properties:	One-to-four family, owner-occupied primary residences
Loan Amounts:	Minimum – \$5,000 Maximum – \$350,000
Maximum CLTV:	First mortgage balance plus proposed home equity loan cannot exceed 80% of value
Loan Term:	5, 10, or 15 years
Interest Rate:	A different, fixed-interest rate applies to each of the three loan terms available. Call for the most current rate, or visit our rate pages at www.sefcu.com . Your final rate will be based on an evaluation of your credit worthiness and other underwriting criteria.
Prepayment Penalty:	None
Underwriting Criteria:	Any second mortgage lien must be satisfied at or prior to closing and can be paid with loan proceeds

Home Equity Line of Credit Facts

Repayment Term:	25 years
Draw Period:	10 years (included in repayment term)
Eligible Properties:	One-to-four family, owner-occupied primary residences
Loan Amounts:	Minimum – \$5,000 Maximum – \$350,000
Maximum CLTV:	First mortgage balance plus proposed home equity loan cannot exceed 80% of value
Advances:	SEFCU Home Equity MasterCard® – no minimum advance amount required. For advances using any other method, the minimum advance amount is \$250. Refer to Home Equity MasterCard® disclosure for full details.
Accessing Credit Line:	Checks provided by SEFCU, via SEFCU OnLine, or with a SEFCU Home Equity MasterCard
Prepayment Penalty:	None
Underwriting Criteria:	Any second mortgage lien must be satisfied at or prior to closing and can be paid with loan proceeds
Interest Rate Change:	Variable rate will change every 12 months, based on Prime rate. The initial discount period is in effect for the first 12 months.
Limits to interest rate change:	2% per year
Lifetime Cap:	14.9% APR*

Fixed-Rate Second Mortgage Disclosure Statement

REGULATIONS REQUIRE THAT A DISCLOSURE NOTICE BE PROVIDED, INCLUDING THE INFORMATION SET FORTH BELOW. THIS DISCLOSURE DOES NOT CONSTITUTE A COMMITMENT TO MAKE A LOAN AND IS MADE FOR INFORMATIONAL PURPOSES ONLY. THE LOAN DOCUMENTS SIGNED AT SETTLEMENT WILL CONTROL THE RIGHTS AND RESPONSIBILITIES OF THE PARTIES.

The following is a summary of the basic terms of the fixed-rate second mortgage loan being offered by SEFCU. This summary is intended for reference purposes only. Important information relating specifically to your loan will be contained in the loan documents.

LOAN TERM

5, 10, or 15 years

LOAN AMOUNTS

Minimum - \$5,000

Maximum - \$350,000

INTEREST RATE

A different interest rate applies to each of the three different loan terms available. Your interest rate will be determined by the credit union upon a complete underwriting review of your application.

MONTHLY PAYMENT

The amount of your principal and interest payment is determined by three factors: the interest rate, the approved loan amount, and the term of your loan.

The amount of the monthly payment will be sufficient to repay the loan in full, including principal and interest, over the term of the loan. Each monthly payment is applied first to the interest due on the outstanding loan balance, with the remainder being applied to reduce the principal.

PREPAYMENT

You may prepay this second mortgage in whole or in part at any time during the loan term without penalty.

ESCROW

We do not escrow funds for taxes and hazard insurance. For properties in a flood zone and in first lien position, an escrow for flood insurance is required.

LATE FEES

If the credit union has not received the full amount of any monthly payment by the end of 15 calendar days after the

date it is due, you will pay a late charge of 2% of the overdue payment of principal and interest. You must pay this charge promptly, but will only pay once on each late payment. Late payments, missed payments, or other defaults on your account may be reflected in your credit report.

FEES

You may be charged fees by the credit union and by other persons in connection with the origination and closing of the loan. The credit union will give you an estimate of these fees based on your approved loan amount. See the *Special Notice Regarding Home Equities* for details regarding fees.

YOU SHOULD CHECK WITH YOUR LEGAL ADVISOR AND WITH OTHER MORTGAGE LIEN HOLDERS AS TO WHETHER ANY PRIOR LIENS CONTAIN ACCELERATION CLAUSES WHICH WOULD BE ACTIVATED BY A JUNIOR ENCUMBRANCE.

Special Notice Regarding Home Equities

SEFCU is waiving the following fees*

Appraisal Fee

Mortgage Recording Fee (applicant pays for fixed-rate modifications)

Credit Report Fee

Last Owner Search Fee

Flood Certification Fee

Tax Service Fee

Title Insurance may be required; please refer to the title insurance section for requirements. In addition, New York State mortgage tax (rate varies by county) is paid by the applicant. An overnight mail fee is required for lien secured payoffs and closings by mail.

Disclosure Notice Regarding Title Insurance

Title insurance is required and paid by the borrower(s) on loan amounts and lines over \$200,000. It is also required on applications for properties owned by trusts (subject to trust acceptability), and for lines/loans for the purpose of title buyout transaction regardless of line/loan amount or loan to value.

Final determination as to whether Title Insurance is needed will be made by SEFCU. The cost of Title insurance can vary.

*These closing costs will be paid on your behalf by SEFCU, subject to the following condition: In the event that you pay off and/or refinance this loan within three years of the date of this agreement, the closing costs that were initially waived will be charged to your account and added back to your pay-off amount.

OFFICE PURPOSE ONLY
 BRANCH:
 SUBMITTED BY:
 GOV. MONITORING COMPLETED:

SEFCU HOME EQUITY APPLICATION

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

<i>Borrower</i>		<i>Co-Borrower</i>	
TYPE OF LOAN <input type="checkbox"/> FIXED-RATE LOAN <input type="checkbox"/> ADJUSTABLE-RATE LINE OF CREDIT	AMOUNT REQUESTED \$ _____ AND TERM _____ YEARS	PURPOSE:	
PROPERTY INFORMATION:			
TYPE: <input type="checkbox"/> SINGLE FAMILY <input type="checkbox"/> 2-4 FAMILY <input type="checkbox"/> CONDO <input type="checkbox"/> PUD HOMEOWNER ASSOCIATION NAME: _____ MONTHLY DUES: _____		DATE PURCHASED	PURCHASE PRICE \$ _____
Address of property:		PRESENT VALUE \$ _____	
Property improvements: <input type="checkbox"/> Already completed Describe: _____		SEFCU ACCOUNT # _____	
BORROWER INFORMATION:		CO-BORROWER INFORMATION:	
NAME		NAME	
PRESENT ADDRESS		PRESENT ADDRESS	
FORMER ADDRESS (if less than two years at present location)		FORMER ADDRESS (if less than two years at present location)	
<input type="checkbox"/> MARRIED <input type="checkbox"/> SEPARATED <input type="checkbox"/> UNMARRIED (single, divorced, widowed)		<input type="checkbox"/> MARRIED <input type="checkbox"/> SEPARATED <input type="checkbox"/> UNMARRIED (single, divorced, widowed)	
NAME AND ADDRESS OF EMPLOYER <input type="checkbox"/> Self Employed		NAME AND ADDRESS OF EMPLOYER <input type="checkbox"/> Self Employed	
Years employed in this line of work _____ years _____ years in current job		Years employed in this line of work _____ years _____ years in current job	
Home Phone	Work Phone	Home Phone	Work Phone
Social Security Number	Date of Birth	Social Security Number	Date of Birth
GROSS SALARY MO \$ _____ WK \$ _____	OTHER VERIFIABLE INCOME (child support, alimony, maintenance payments need not be revealed) Source: MO \$ _____ WK \$ _____	GROSS SALARY MO \$ _____ WK \$ _____	OTHER VERIFIABLE INCOME (child support, alimony, maintenance payments need not be revealed) Source: MO \$ _____ WK \$ _____
PREVIOUS EMPLOYER (if less than two years at current) Position _____ Salary \$ _____ Years _____		PREVIOUS EMPLOYER (if less than two years at current) Position _____ Salary \$ _____ Years _____	

DEBTS

B -BORROWER C - CO-BORROWER	CREDITOR	PURPOSE	ACCOUNT NUMBER	DATE INCURRED	PRESENT BALANCE	MO. PAYMENT
		<input type="checkbox"/> Residential Mortgage				
					Taxes included in payment? <input type="checkbox"/> Yes <input type="checkbox"/> No	
		<input type="checkbox"/> 2nd Mortgage/ Home Equity				
		<input type="checkbox"/> Auto				

THESE QUESTIONS APPLY TO BOTH BORROWER AND CO-BORROWER

Are you other than a U.S. Citizen?	BORROWER Yes or No	CO-BORROWER Yes or No
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IMPORTANT - APPLICANT READ BEFORE SIGNING

I/We apply for the loan indicated in this application which may be secured by a mortgage or deed of trust on the property described herein and represent that the property will not be used for any illegal or restricted purpose, and that all statements made in this application are true and are made for the purpose of obtaining the loan. Verification may be obtained from any source named in this application. The original or a copy of this application will be retained by the lender, even if the loan is not granted. I/We hereby consent to and authorize the lender, HUD-FHA, FNMA or FHLMC, after giving of reasonable notice, to enter the improved property for the sole purpose of determining that the improvements specified in this application have been completed.

I/WE UNDERSTAND THAT THE SELECTION OF A CONTRACTOR OR DEALER, ACCEPTANCE OF MATERIAL USED AND WORK PERFORMED IS MY/OUR RESPONSIBILITY. NEITHER THE LENDER, HUD-FHA, FNMA NOR FHLMC GUARANTEES THE MATERIAL OR WORKMANSHIP.

I/We do or do not intend to occupy the property as my/our primary residence.

I/We understand that it may be a federal crime punishable by fine or imprisonment, or both, to knowingly make false statements concerning any of the above facts as applicable under the provisions of the United States Criminal Code.

_____ Date _____ Borrower's Signature	_____ Date _____ Co-Borrower's Signature
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SAMPLE DATA-COLLECTION FORM 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. You may select one or more designations for "Race." The law provides that a lender may not discriminate on the basis of this information, or on whether you choose to furnish it. However, if you choose not to furnish the information and you have made this application in person, under federal regulations the lender is required to note ethnicity, race, and sex on the basis of visual observation or surname. If you do not wish to furnish the information, please check below.

APPLICANT:

I do not wish to furnish this information

Ethnicity:

- Hispanic or Latino
- Not Hispanic or Latino

Race:

- American Indian or Alaska Native
- Asian
- Black or African American
- Native Hawaiian or Other Pacific Islander
- White

Sex:

- Female
- Male

CO-APPLICANT:

I do not wish to furnish this information

Ethnicity:

- Hispanic or Latino
- Not Hispanic or Latino

Race:

- American Indian or Alaska Native
- Asian
- Black or African American
- Native Hawaiian or Other Pacific Islander
- White

Sex:

- Female
- Male

