



Dear Member,

Thank you for applying for the Credit Union's **Interest Only** Fixed Rate Home Equity Loan.

Please read carefully:

1. **If your deed is jointly held or if you live in a community property/dower state (Arizona, California, Louisiana, Kansas, Ohio and Wisconsin), your spouse must be listed on the application.**
2. **Fees:** There are no fees associated with this loan. Your completed application authorizes us to obtain an appraisal, property report, and flood determination report. You will not be charged for these if you complete the application process, and if approved, sign the loan documents. However, if you fail to do so, you will be responsible for reimbursing us for the cost of the appraisal estimated to be between \$25 and \$400, the cost of the property report estimated to be between \$80 and \$175, the cost of the flood search, \$16.50, and any recording fees estimated to be between \$14.00 and \$200.00 for most states. ****Some states charge a recording tax based on the loan amount which may go above the \$200.00 mark. These states are mentioned below.**
3. **Payments:** Payments will be amortized over a maximum term of 5 years (60 months). 59 monthly interest payments and one final payment of the remaining principal balance plus accrued interest. There are no pre-payment penalties.
4. If an appraisal is required, the appraiser will contact you for an appointment. NOTE: You have the right to a copy of the appraisal report used in connection with your application for credit. If you would like a copy, please call or write us at the mailing address listed above. There is a fee of \$35.00 to provide you with a copy of the appraisal.
5. Your loan officer will contact you when the loan documents are ready for signature. State law requires that you (and the co-applicant) sign these documents in the presence of a notary. We have notary publics available in the Credit Union to notarize these documents.
6. Hazard insurance coverage must be provided in an amount equal to the total of the Credit Union's original loan amount plus the outstanding balance of any lien or mortgage in a priority position. We will contact your insurance agent to add the "APCI Federal Credit Union" as a mortgagee to your homeowner's insurance policy.
7. If your property is located in a special flood hazard area as designated in the Flood Disaster Protection Act of 1973, we require that you maintain a Federal Flood Policy or suitable substitute.

If you have any questions, please call our Loan Services Line (610) 481-5715 or (800) 821-5104.

Thank you,

APCI Federal Credit Union

***Please be aware that some states charge a tax based on the recorded loan amount. States with high recording taxes include but are not limited to: New York, Maryland, Kansas, Florida, Minnesota, Virginia, Georgia, and the Parish of Orleans in Louisiana.*

**INTEREST ONLY FIXED RATE HOME EQUITY
LET YOUR HOME EQUITY WORK FOR YOU!**

ADVANTAGES

- Low interest rate
- Possible tax advantages - please consult your tax advisor
- Reduced monthly payment

CREDIT

- Minimum \$25,000 - Maximum \$500,000.
- Based on 85% of appraisal value less mortgage(s), judgment(s), or lien(s).

REPAYMENT TERMS

- 5 year term
- Fixed payments
- Payroll deduction, auto transfer, or monthly payments

ESTIMATE YOUR AVAILABLE EQUITY

- To find out how much you may be eligible to borrow, complete the calculation below:

Estimated Value of Your Home	_____
X 85%	_____
Less mortgages, judgments, or liens	_____
(Lendable) EQUITY =	_____