

Refinance Mortgage Loan for Texas Residents

**This document contains important information about our Refinance Mortgage Loan.
You should read it carefully and retain a copy for your records.**

Dear Member:

Thank you for requesting information on our **Refinance Mortgage Loan**. Please read the following carefully.

- **Texas is a Community Property State.** Anyone on the deed, and their spouse, will be required to sign certain paperwork related to the collateral securing the loan.
- **Program Term:** 5, 10, 15, or 20 years (Interest rate is based on term).
- **This program can only be applied to refinances, not purchases.** This loan can only be applied to primary residences or second homes under 10 acres with no agricultural tax exemptions. Land loans, investment properties, manufactured homes, mobile homes, and homes deeded under a Trust Agreement are disqualified.
- If you are looking to refinance your primary residence and take additional cash out, please call for additional information. Texas State Law has additional guidelines for cash out refinancing.
- **Maximum Loan Amount:** 80% of the appraised value. APCI Federal Credit Union must be in the first lien position. If you presently have a home equity loan with another institution, please call the Credit Union for more information.
- **Interest Rate:** Fixed. Your Interest Rate is locked at time of application for a period of no longer than 60 days. If the rate drops during your 60-day period, you will automatically be relocked at the lower rate. If you close the loan with an automated payment option, you will receive a ¼% discount off our Standard Rate.
- **Fees: There is a Loan Processing Fee of \$700** due at time of disbursement. If refinance qualifies as a Texas Home Equity loan, an additional processing fee of \$300 is required for a total processing fee of **\$1,000**. We will pay for appraisal fees up to \$500.00. **Appraisal fees in excess of \$500.00 will be the responsibility of the borrower.** Appraisal fees are generally less than \$500.
- Your mortgage will be held and serviced by the APCI Federal Credit Union. We do not sell our mortgage loans.
- APCI Federal Credit Union does not escrow real estate taxes or homeowner's insurance.
- The minimum amount that can be borrowed is \$30,000. The maximum amount that can be borrowed is \$750,000.
- There are mandatory State and Federal waiting periods associated with mortgage loans in the State of Texas. For more information, please contact the Credit Union.
- Your completed application authorizes us to obtain a property report, flood report, and appraisal.
- If a formal appraisal is required, we will have the appraiser contact you for an appointment. We will provide you with a copy of the appraisal.

- Your Loan Officer will contact you when the loan documents are ready for signature. You may be required to sign the loan documents at a designated Title Company or Attorney's office, if your loan request qualifies as a Texas home equity loan.
- 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. We will contact your insurance agent to add the "APCI Federal Credit Union" as a mortgagee to your homeowner's insurance policy.
- 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. Flood 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 flood insurance policy.
- Someone purchasing your home cannot assume the remainder of your mortgage loan with the Credit Union.

Our Refinance Mortgage Loan is a flexible and attractive product to meet your financial needs. If you have any questions, please call us at 800-821-5104.

Sincerely,

Your APCI FCU Loan Services Team

ADVANTAGES

- Low interest rate
- Your mortgage will be held and serviced by the APCI Federal Credit Union; we do not sell our mortgage loans

CREDIT TERMS

- Minimum loan amount of \$30,000
- Maximum loan amount of \$750,000 for all terms
- Based on 80% of appraised value

REPAYMENT TERMS

- Terms up to 20 years
- Fixed payments
- Automated transfer payments are available
- No Prepayment Penalties