

**INSTRUCTIONS FOR COMPLETING THE HOME EQUITY LINE OF CREDIT (HELOC)
LOANLINER APPLICATION**

NOTE AND COMPLETE

Check the appropriate box for individual or joint credit. Complete amount requested and purpose of loan. Check appropriate repayment box.

STATE OF INTENT

Check the appropriate box if requesting insurance.

APPLICANT INFORMATION

Complete **every section** for both applicant and co-applicant or spouse, referred to as "Other" (if applicable). **It is very important that all of this information is completed.**

EMPLOYMENT INFORMATION

Complete **every section** for both applicant and co-applicant or spouse (if applicable). **It is very**

INCOME INFORMATION

List employment and other income in this section. Indicate where Other Income is derived and "Source" (example: social security, pension, etc.) **It is very important that all of this information is completed**

REFERENCES

Give complete information for the nearest relative, not living with you and a person/friend, not living with you.

ASSETS/PROPERTY

Complete information for checking and savings accounts by applicant and other (if applicable). List home and all other items currently owned. Indicate the market value and if pledged as collateral by applicant and other (if applicable)

List every lien against your home and complete all sections.

DEBTS

List all current monthly obligations. Designate if it is applicant or other. **It is very important that all of this information is completed.**

FINANCIAL INFORMATION

Every question must be answered. Any questions answered “yes” require an explanation. Attach an additional sheet for the explanations.

SIGNATURES

Read the acknowledgement, sign, and date where indicated.



In response to your request regarding information on Home Equity loans I have enclosed the following:

- A. An application that will need to be entirely completed and signed
- B. Supporting documents for application processing

Complete, sign and date all the documents and return to the Credit Union.

You may choose one of the following two Home Equity Loan Programs to assist you with your financial management:

FIXED RATE (CLOSED END): A program offering a fixed interest rate and maturity as follows:

Home Equity Mortgage Rates/Repayment Term

6.24%	1 to 5 years maturity
6.74%	6 to 7 years maturity
6.99%	8 to 10 years maturity
7.24%	11 to 15 years maturity

HELOC (OPEN END/VARIABLE RATE): A program that offers an open end line of credit for your personal use. Once approved you can borrow any amount (up to your approved credit limit and term) at any time.

Your Annual Percentage Rate (APR) is based on the Wall Street Journal Prime Rate. A margin is added based on your FICO score. Information about the index is published in the Money Rates Column of the Wall Street Journal.

The APR on your account may change monthly to reflect any increase or decrease in the Index.

Your APR will never increase more than a rate of 19% APR.

**Rates are subject to change without notice.



REAL ESTATE LENDING

POWERED BY
CUNA MUTUAL
GROUP**HOME EQUITY
EARLY DISCLOSURE****IMPORTANT TERMS OF OUR HOME EQUITY LINE OF CREDIT PLAN**

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

AVAILABILITY OF TERMS: All of the terms described below are subject to change. If these terms change (other than the annual percentage rate) and you decide, as a result, not to enter into an agreement with us, you are entitled to a refund of any fees that you pay to us or anyone else in connection with your application.

SECURITY INTEREST: We will take a security interest in your home. You could lose your home if you do not meet the obligations in your agreement with us.

POSSIBLE ACTIONS: We can terminate your line, require you to pay us the entire outstanding balance in one payment, and charge you certain fees, if (1) you engage in fraud or material misrepresentation in connection with the plan; (2) you do not meet the repayment terms of this plan, or (3) your action or inaction adversely affects the collateral or our rights in the collateral.

We can refuse to make additional extensions of credit or reduce your credit limit if (1) any reasons mentioned above exist; (2) the value of the dwelling securing the line declines significantly below its appraised value for purposes of the line; (3) we reasonably believe that you will not be able to meet the repayment requirements due to a material change in your financial circumstances; (4) you are in default of a material obligation of the agreement; (5) government action prevents us from imposing the annual percentage rate provided for in the agreement; (6) the priority of our security interest is adversely affected by government action to the extent that the value of the security interest is less than 120 percent of the credit line; (7) a regulatory agency has notified us that continued advances would constitute an unsafe and unsound business practice, or (8) the maximum annual percentage rate is reached.

VISA ACCESS: Upon your request and our approval, we will issue a VISA credit card to access this home equity plan.

MINIMUM PAYMENT REQUIREMENTS: You can obtain credit advances for 15 years. This period is called the "draw period." At our option, we may renew or extend the draw period. After the draw period ends the repayment period will begin. The length of the repayment period will depend on your balance before the draw period ends but will not be more than 15 years.

You will be required to make monthly payments during both the draw and repayment periods. At the time you obtain a credit advance a payoff period of 180 monthly payments will be used to calculate your payment. The payoff period will always be the shorter of the payoff period for your outstanding balance or the time remaining to the maturity date. Your payment will be set to repay the balance after the advance, at the current

annual percentage rate, within the payoff period. Your payment will remain the same unless you obtain another credit advance. Your payment may also change if the annual percentage rate increases or decreases. Each time the annual percentage rate changes, we will adjust your payment to repay the balance within the original payoff period. Your payment will include any amounts past due and any amount by which you have exceeded your credit limit, and all other charges. Your payment will never be less than the smaller of \$100.00, or the full amount that you owe.

MINIMUM PAYMENT EXAMPLE: If you made only the minimum monthly payment and took no other credit advances it would take 11 years 3 months to pay off a credit advance of \$10,000 at an **ANNUAL PERCENTAGE RATE** of 5.5%. During that period, you would make 134 payments of \$100.00 and one (1) final payment of \$8.66.

FEES AND CHARGES: You must pay certain fees to third parties to open the plan. These fees generally total between \$300.00 and \$600.00. If you ask, we will provide you with an itemization of the fees you will have to pay third parties.

PROPERTY INSURANCE: You must carry insurance on the property that secures this plan. If the property is located in a Special Flood Hazard Area we will require you to obtain flood insurance if it is available.

REFUNDABILITY OF FEES: If you decide not to enter into this plan within three business days of receiving this disclosure and the home equity brochure, you are entitled to a refund of any fee you may have already paid.

TAX DEDUCTIBILITY: You should consult a tax advisor regarding the deductibility of interest and charges for the plan.

ADDITIONAL HOME EQUITY PLANS: Please ask us about our other available home equity line of credit plans.

VARIABLE RATE FEATURE: This plan has a variable rate feature and the annual percentage rate (corresponding to the periodic rate) and the minimum payment may change as a result. The annual percentage rate includes only interest and no other costs.

The annual percentage rate is based on the value of an index. The index is the Prime Rate published in the Money Rates column of the *Wall Street Journal*. When a range of rates has been published the highest rate will be used. We will use the most recent index value available to us as of 21 days before the date of any annual percentage rate adjustment.

To determine the annual percentage rate that will apply to your account, we add a margin to the value of the Index. Ask us for the current index value, margin and annual percentage rate. After you open a plan, rate information will be provided on periodic statements that we send you.

RATE CHANGES: The annual percentage rate can change on the first day of each month. There is no limit on the amount by which the annual percentage rate can change during any one year period. The maximum **ANNUAL PERCENTAGE RATE** that can apply is 18.0% or the maximum permitted by law, whichever is less. However, under no circumstances will your **ANNUAL PERCENTAGE RATE** go below 2.0% at any time during the term of the plan.

MARGIN: The margin you receive will be based on your credit history. Please ask us for the margin that you qualify for. You may receive a different margin than what appears in the Historical Example.

MAXIMUM RATE AND PAYMENT EXAMPLES: If you had an outstanding balance of \$10,000, the minimum payment at the maximum **ANNUAL**

PERCENTAGE RATE of 18.0% would be \$161.07. This annual percentage rate could be reached at the time of the 1st payment.

HISTORICAL EXAMPLE: The following table shows how the annual percentage rate and the minimum payments for a single \$10,000 credit advance would have changed based on changes in the index over the past 15 years. The index values are from the last business day of July of each year. While only one payment per year is shown, payments may have varied during each year.

The table assumes that no additional credit advances were taken, that only the minimum payments were made, and that the rate remained constant during each year. It does not necessarily indicate how the index or your payments will change in the future.

WALL STREET JOURNAL PRIME RATE INDEX TABLE

Year (as of the last business day of July)	Index (Percent)	Margin ⁽¹⁾ (Percent)	ANNUAL PERCENTAGE RATE	Monthly Payment (Dollars)
2008.....	5.000	0.00	5.000	100.00 ⁽²⁾
2009.....	3.250	0.00	3.250	100.00 ⁽²⁾
2010.....	3.250	0.00	3.250	100.00 ⁽²⁾
2011.....	3.250	0.00	3.250	100.00 ⁽²⁾
2012.....	3.250	0.00	3.250	100.00 ⁽²⁾
2013.....	3.250	0.00	3.250	100.00 ⁽²⁾
2014.....	3.250	0.00	3.250	100.00 ⁽²⁾
2015.....	3.250	0.00	3.250	100.00 ⁽²⁾
2016.....	3.500	0.00	3.500	100.00 ⁽²⁾
2017.....	4.250	0.00	4.250	100.00 ⁽²⁾
2018.....	5.000	0.00	5.000	
2019.....	5.500	0.00	5.500	
2020.....	3.250	0.00	3.250	
2021.....	3.250	0.00	3.250	
2022.....	5.500	0.00	5.500	

⁽¹⁾ This is a margin we have used recently; your margin may be different.

⁽²⁾ This payment reflects the minimum payment of \$100.00.

Demographic Information Addendum.

This section asks about your ethnicity, sex, and race.

Demographic Information of Borrower

The purpose of collecting this information is to help ensure that all applicants are treated fairly and that the housing needs of communities and neighborhoods are being fulfilled. For residential mortgage lending, federal law requires that we ask applicants for their demographic information (ethnicity, sex, and race) in order to monitor our compliance with equal credit opportunity, fair housing, and home mortgage disclosure laws. You are not required to provide this information, but are encouraged to do so. **The law provides that we may not discriminate** on the basis of this information, or on whether you choose to provide it. However, if you choose not to provide the information and you have made this application in person, federal regulations require us to note your ethnicity, sex, and race on the basis of visual observation or surname. The law also provides that we may not discriminate on the basis of age or marital status information you provide in this application.

Instructions: You may select one or more "Hispanic or Latino" origins and one or more designations for "Race." If you do not wish to provide some or all of this information, select the applicable check box.

Ethnicity

- Hispanic or Latino
 Mexican Puerto Rican Cuban
 Other Hispanic or Latino – *Enter origin:* _____

Examples: Argentinean, Colombian, Dominican, Nicaraguan, Salvadoran, Spaniard, etc.

- Not Hispanic or Latino
 I do not wish to provide this information

Sex

- Female
 Male
 I do not wish to provide this information

Race

- American Indian or Alaska Native – *Enter name of enrolled or principal tribe:* _____
 Asian
 Asian Indian Chinese Filipino
 Japanese Korean Vietnamese
 Other Asian – *Enter race:* _____

Examples: Hmong, Laotian, Thai, Pakistani, Cambodian, etc.

- Black or African American
 Native Hawaiian or Other Pacific Islander
 Native Hawaiian Guamanian or Chamorro Samoan
 Other Pacific Islander – *Enter race:* _____

Examples: Fijian, Tongan, etc.

- White
 I do not wish to provide this information

To Be Completed by Financial Institution (for application taken in person):

- Was the ethnicity of the Borrower collected on the basis of visual observation or surname? NO YES
Was the sex of the Borrower collected on the basis of visual observation or surname? NO YES
Was the race of the Borrower collected on the basis of visual observation or surname? NO YES

The Demographic Information was provided through:

- Face-to-Face Interview (includes Electronic Media w/ Video Component) Telephone Interview Fax or Mail Email or Internet

Borrower Name: _____



1600 Huntington Drive
P.O. Box 1249
Calumet City, IL 60409-0649

Home Equity Application

Check below to indicate the type of credit for which you are applying. Married Applicants may apply for a separate account.

- Individual Credit:** You must complete the Applicant section about yourself and the Other section about your spouse if
1. you live in or the property pledged as collateral is located in a community property state (AK, AZ, CA, ID, LA, NM, NV, TX, WA, WI)
 2. your spouse will use the account, or
 3. you are relying on your spouse's income as a basis for repayment. If you are relying on income from alimony, child support, or separate maintenance, complete the **Other** section to the extent possible about the person on whose payments you are relying.
- Joint Credit:** Each Applicant must individually complete appropriate section below. If Co-Applicant is spouse of the Applicant, mark the Co-Applicant box. If this is an application for joint credit, Applicant and Co-Applicant each agree and acknowledge the intent to apply for joint credit (sign below):

Applicant's Signature X	Date (Seal)
---------------------------------------	--------------------

Co-Applicant's Signature X	Date (Seal)
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Amount Requested \$ _____ Purpose: _____

PAYMENT PROTECTION Are you interested in having your loan protected? Yes No

If you answer "yes", the credit union will disclose the cost to protect your loan. The protection is voluntary and does not affect your loan approval. In order for your loan to be covered, you will need to sign a separate application that explains the terms and conditions.

APPLICANT INFORMATION				OTHER <input type="checkbox"/> CO-APPLICANT <input type="checkbox"/> SPOUSE			
NAME (Last - First - Initial)				NAME (Last - First - Initial)			
DRIVER'S LICENSE NUMBER/STATE			BIRTH DATE	DRIVER'S LICENSE NUMBER/STATE			BIRTH DATE
ACCOUNT NUMBER		SOCIAL SECURITY/TAX IDENTIFICATION NUMBER		ACCOUNT NUMBER		SOCIAL SECURITY/TAX IDENTIFICATION NUMBER	
HOME PHONE	CELL PHONE	BUSINESS PHONE/EXT.		HOME PHONE	CELL PHONE	BUSINESS PHONE/EXT.	
EMAIL ADDRESS				EMAIL ADDRESS			
PRESENT ADDRESS (Street - City - State - Zip) <input type="checkbox"/> OWN <input type="checkbox"/> RENT			LENGTH AT RESIDENCE	PRESENT ADDRESS (Street - City - State - Zip) <input type="checkbox"/> OWN <input type="checkbox"/> RENT			LENGTH AT RESIDENCE
PREVIOUS ADDRESS (Street - City - State - Zip) <input type="checkbox"/> OWN <input type="checkbox"/> RENT			LENGTH AT RESIDENCE	PREVIOUS ADDRESS (Street - City - State - Zip) <input type="checkbox"/> OWN <input type="checkbox"/> RENT			LENGTH AT RESIDENCE
COMPLETE FOR JOINT CREDIT, SECURED CREDIT OR IF YOU LIVE IN A COMMUNITY PROPERTY STATE: <input type="checkbox"/> MARRIED <input type="checkbox"/> SEPARATED <input type="checkbox"/> UNMARRIED (Single - Divorced - Widowed)				COMPLETE FOR JOINT CREDIT, SECURED CREDIT OR IF YOU LIVE IN A COMMUNITY PROPERTY STATE: <input type="checkbox"/> MARRIED <input type="checkbox"/> SEPARATED <input type="checkbox"/> UNMARRIED (Single - Divorced - Widowed)			
LIST AGES OF DEPENDENTS NOT LISTED BY OTHER APPLICANT (Exclude Self)				LIST AGES OF DEPENDENTS NOT LISTED BY OTHER APPLICANT (Exclude Self)			

EMPLOYMENT INFORMATION			
NAME AND ADDRESS OF EMPLOYER		NAME AND ADDRESS OF EMPLOYER	
YOUR TITLE/GRADE	SUPERVISOR'S NAME	YOUR TITLE/GRADE	SUPERVISOR'S NAME
START DATE	HOURS AT WORK	IF SELF EMPLOYED, TYPE OF BUSINESS	
IF EMPLOYED IN CURRENT POSITION LESS THAN TWO YEARS, COMPLETE PREVIOUS EMPLOYER NAME AND ADDRESS			
STARTING DATE	ENDING DATE	STARTING DATE	ENDING DATE
MILITARY: IS DUTY STATION TRANSFER EXPECTED DURING NEXT YEAR <input type="checkbox"/> YES <input type="checkbox"/> NO			
WHERE		SEPARATION DATE	

INCOME INFORMATION			
NOTICE: Alimony, child support, or separate maintenance income need not be revealed if you do not choose to have it considered.		NOTICE: Alimony, child support, or separate maintenance income need not be revealed if you do not choose to have it considered.	
EMPLOYMENT INCOME \$	PER	<input type="checkbox"/> NET <input type="checkbox"/> GROSS	EMPLOYMENT INCOME \$
OTHER INCOME \$	PER	OTHER INCOME \$	PER
SOURCE	SOURCE	SOURCE	SOURCE

REFERENCES (Please include Street, City, State and Zip Code)

NAME AND ADDRESS OF NEAREST RELATIVE NOT LIVING WITH YOU	NAME AND ADDRESS OF NEAREST RELATIVE NOT LIVING WITH YOU
RELATIONSHIP	RELATIONSHIP
HOME PHONE	HOME PHONE

PROPERTY (Please include Principal Dwelling, Second Home, Vacation, Investment, etc.)

PROPERTY TYPE	LIST PROPERTIES THAT YOU OWN AND ADDRESS OF PROPERTY	MARKET VALUE	PLEGGED AS COLLATERAL FOR ANOTHER LOAN		APPLICANT	OTHER
		\$	<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/>	<input type="checkbox"/>
		\$	<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/>	<input type="checkbox"/>
		\$	<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input type="checkbox"/>	<input type="checkbox"/>

WHAT IS THE PROPERTY THAT WILL BE GIVEN AS SECURITY?
List every lien associated with this property below. A lien is a legal claim filed against property as security for payment of a debt.

FIRST MORTGAGE HELD BY _____ PRESENT BALANCE \$ _____

OTHER LIENS (Liens include mortgages, deeds of trust, land contracts, judgments and past due taxes):
_____ PRESENT BALANCE \$ _____

IS ANYONE OTHER THAN YOUR SPOUSE A PART OWNER OF THIS PROPERTY?
 YES NO

IS THIS PROPERTY THE APPLICANT'S ADDRESS LISTED IN THE "APPLICANT INFORMATION" SECTION?
 YES NO

ASSETS (Please include Auto, Boat, Stocks, Bonds, Cash, etc.)

ASSET DESCRIPTION	LIST LOCATION OF ASSET OR FINANCIAL INSTITUTION	MARKET VALUE/ PRESENT BALANCE	PLEGGED AS COLLATERAL FOR ANOTHER LOAN		OWNED BY	
			<input type="checkbox"/> YES	<input type="checkbox"/> NO	APPLICANT	OTHER
		\$	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		\$	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		\$	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		\$	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		\$	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		\$	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		\$	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

DEBTS (Please include Auto Loans, Credit Cards, Second Mortgages, Home Association Dues, etc.)

DEBT	CREDITOR NAME OTHER THAN THIS CREDIT UNION (Attach additional sheet(s) if necessary)	INTEREST RATE	PRESENT BALANCE	MONTHLY PAYMENT	OWNED BY	
					APPLICANT	OTHER
<input type="checkbox"/> RENT		%	\$	\$	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> FIRST MORTGAGE (Incl. Tax & Ins.)		%	\$	\$	<input type="checkbox"/>	<input type="checkbox"/>
		%	\$	\$	<input type="checkbox"/>	<input type="checkbox"/>
		%	\$	\$	<input type="checkbox"/>	<input type="checkbox"/>
		%	\$	\$	<input type="checkbox"/>	<input type="checkbox"/>
		%	\$	\$	<input type="checkbox"/>	<input type="checkbox"/>
		%	\$	\$	<input type="checkbox"/>	<input type="checkbox"/>
		%	\$	\$	<input type="checkbox"/>	<input type="checkbox"/>
		%	\$	\$	<input type="checkbox"/>	<input type="checkbox"/>
		%	\$	\$	<input type="checkbox"/>	<input type="checkbox"/>
		%	\$	\$	<input type="checkbox"/>	<input type="checkbox"/>
		%	\$	\$	<input type="checkbox"/>	<input type="checkbox"/>
LIST ANY NAMES UNDER WHICH YOUR CREDIT REFERENCES AND CREDIT HISTORY CAN BE CHECKED:			TOTALS	\$	\$	

FINANCIAL INFORMATION These questions apply to both Applicant and Other.

	APPLICANT		OTHER	
IF A "YES" ANSWER IS GIVEN TO A QUESTION, EXPLAIN ON AN ATTACHED SHEET	YES	NO	YES	NO
DO YOU HAVE ANY OUTSTANDING JUDGMENTS?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
HAVE YOU EVER FILED FOR BANKRUPTCY OR HAD A DEBT ADJUSTMENT PLAN CONFIRMED UNDER CHAPTER 13?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
HAVE YOU HAD PROPERTY FORECLOSED UPON OR GIVEN A DEED IN LIEU OF FORECLOSURE IN THE LAST 7 YEARS?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ARE YOU A PARTY IN A LAWSUIT?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ARE YOU OTHER THAN A U.S. CITIZEN OR PERMANENT RESIDENT ALIEN?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
IS YOUR INCOME LIKELY TO DECLINE IN THE NEXT TWO YEARS?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ARE YOU A CO-MAKER, CO-SIGNER OR GUARANTOR ON ANY LOAN NOT LISTED ABOVE?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
FOR WHOM (Name of Others Obligated on Loan):	TO WHOM (Name of Creditor):			

STATE LAW NOTICES

Notice to Ohio Residents: The Ohio laws against discrimination require that all creditors make credit equally available to all credit worthy customers, and that credit reporting agencies maintain separate credit histories on each individual upon request. The Ohio Civil Rights Commission administers compliance with this law.

Notice to Nebraska Residents: A credit agreement must be in writing to be enforceable under Nebraska law. To protect you and us from any misunderstandings or disappointments, any contract, promise, undertaking, or offer to forebear repayment of money or to make any other financial accommodation in connection with this loan of money or grant or extension of credit, or any amendment of, cancellation of, waiver of, or substitution for any or all of the terms or provisions of any instrument or document executed in connection with this loan of money or grant or extension of credit, must be in writing to be effective.

Notice to Wisconsin Residents: (1) No provision of any marital property agreement, unilateral statement under Section 766.59, or court decree under Section 766.70 will adversely affect the rights of the Credit Union unless the Credit Union is furnished a copy of the agreement, statement or decree, or has actual knowledge of its terms, before the credit is granted or the account is opened. (2) Please sign if you are not applying for this account or loan with your spouse. The credit being applied for, if granted, will be incurred in the interest of the marriage or family of the undersigned.

Signature For Wisconsin Residents Only	Date
X	(Seal)

SIGNATURES

By signing or otherwise authenticating below:

You promise that everything you have stated in this application is correct to the best of your knowledge and that the above information is a complete listing of all your debts and obligations. You authorize the Credit Union to obtain credit reports in connection with this application for credit and for any update, increase, renewal, extension, or collection of the credit received and for other accounts, products, or services we may offer you or for which you may qualify. If you request, the credit union will tell you the name and address of any credit bureau from which it received a credit report on you. You understand that it is a crime to willfully and deliberately provide incomplete or incorrect information in this application. If there are any important changes, you will notify us in writing immediately. You also agree to notify us of any change in your name, address or employment within a reasonable time thereafter.

Applicant's Signature	Date
X	(Seal)

Other Signature	Date
X	(Seal)

LOAN ORIGINATOR ORGANIZATION

NMLSR ID NUMBER

LOAN ORIGINATOR

NMLSR ID NUMBER

CREDIT UNION USE ONLY

DATE: APPROVED APPROVED LIMIT: DEBT RATIO/SCORE
 DECLINED (Adverse Action Notice Sent) BEFORE AFTER

LOAN OFFICER/CREDIT COMMITTEE COMMENTS: _____

SIGNATURES: LOAN OFFICER CREDIT COMMITTEE

Signature	Date
X	(Seal)

Signature	Date
X	(Seal)



Illiana Financial Credit Union

FEE ITEMIZATION

I/We agree to pay for an appraisal at the time of pre-qualification to be used to purchase an appraisal of the property being financed or purchased. If the loan is cancelled or if the value of the property is not sufficient, any unused portion funds will not be refunded.

The amount of the fees to be collected:

- * Up to \$500 for Single Family Residence
- * Up to \$600 for Multiunit Properties
- * Additional cost may apply

Appraisal	\$ _____
Total	\$ _____

Borrower	Date	Borrower	Date
----------	------	----------	------

Interviewer's Signature

Date Prepared:

RIGHT TO APPRAISAL REPORT

Loan Number:

Borrower Name:

Property Address:

We may order an appraisal to determine the property's value and charge you for this appraisal. We will promptly give you a copy of any appraisal, even if your loan does not close.

You can pay for an additional appraisal for your own use at your own cost.

NOTICE TO BORROWER: The appraisal report is prepared by a licensed or certified real estate appraiser who is independent of your loan broker and real estate lender. Neither the loan broker nor lender participates in the preparation of the appraisal report nor do they assume any responsibility for errors or omissions in its preparation. The appraisal report is prepared solely for use in underwriting your loan application. Neither you nor any third party should use or rely upon the appraisal report for any other purpose.

The signature below acknowledges your receipt of this notice of your right to a copy of the appraisal report.

Borrower:

Date Borrower:

Date

Updated 10/22/2014

Borrower's Certification and Authorization

CERTIFICATION

The Undersigned certify the following:

1. I/We have applied for a mortgage loan from Illiana Financial Credit Union. In applying for the loan, I/We completed a loan application containing various information on the purpose of the loan, the amount and source of the down payment, employment and income information, and the assets and liabilities. I/We certify that all of the information is true and complete. I/We made no misrepresentations in the loan application or other documents, nor did I/We omit any pertinent information.
2. I/We understand and agree that Illiana Financial Credit Union reserves the right to change the mortgage loan review processes to a full documentation program. This may include verifying the information provided on the application with the employer and/or financial institution.
3. I/We fully understand that it is a Federal crime punishable by fine or imprisonment, or both to knowingly make any false statements when applying for this mortgage, as applicable under the provisions of Title 18, United States Code, Section 1014.

AUTHORIZATION TO RELEASE INFORMATION

To Whom It May Concern:

1. I/We have applied for a mortgage loan from Illiana Financial Credit Union. As part of the application process, Illiana Financial Credit Union and the mortgage guaranty insurer (if any), may verify information contained in my/our loan application and in other documents required in connection with the loan, either before the loan is closed or as part of its quality control program.
2. I/authorize you to provide to Illiana Financial Credit Union and to any investor to whom Illiana Financial Credit Union may sell my mortgage, any and all information and documentation that they request. Such information includes, but is not limited to, employment history and income; bank, money market and similar account balances; credit history; and copies of income tax returns.
3. Illiana Financial Credit Union or any investor that purchases the mortgage may address this authorization to any party named in the loan application.
4. A copy of this authorization may be accepted as an original.

Borrowers Signature

Date

Co-Borrowers Signature

Date



In order to assist the Credit Union in processing your Home Equity-Second Mortgage loan request, please supply the following documents and information contained in this list.

___ **FIRST MORTGAGE STATEMENT LISTING THE MOST CURRENT BALANCE**

___ **COPY OF PRIOR 30 DAYS EMPLOYER PAY STUBS.** Stubs for borrower and co-borrower if both are employed. If you are self-employed we need the last 2 years personal and business tax returns. If retired – proof of Pension and/or Social Security amounts. E.G. direct deposit statements

___ **COPY OF TRUST AGREEMENT, IF APPLICABLE.**

___ **CONDO OR TOWNHOUSE – PROOF ASSOCIATION FEES ARE CURRENT**

___ **COPY OF HOMEOWNERS INSURANCE POLICY**

Company _____
Policy No. _____
Agent _____
Telephone _____

___ **PROPERTY ID NUMBER** _____

___ **SIGNED AGREEMENT TO PAY FEES:**

I, _____ do hereby authorize and instruct Illiana Financial Credit Union to begin processing my Home Equity – Second Mortgage Loan Application on preliminary approval on the property located at:

Product fees:

- **Application Fee: \$150.00 due upfront, non-refundable**
- **Appraisal Fee: Due upfront, non-refundable**
 - * Up to \$500 for Single Family Residence
 - * Up to \$600 for Multiunit Properties
 - * Additional cost may apply
- **Document Preparation Fee: \$100 due at closing**

AGREED TO: _____ **DATED:** _____

WHAT YOU SHOULD KNOW ABOUT HOME EQUITY LINES OF CREDIT

If you are in the market for credit, a home equity plan is one of several options that might be right for you. Before making a decision, however, you should weigh carefully the costs of a home equity line against the benefits. Shop for the credit terms that best meet your borrowing needs without posing undue financial risks. And remember, failure to repay the amounts you've borrowed, plus interest, could mean the loss of your home.

WHAT IS A HOME EQUITY LINE OF CREDIT?

A home equity line of credit is a form of revolving credit in which your home serves as collateral. Because a home often is a consumer's most valuable asset, many homeowners use home equity credit lines only for major items, such as education, home improvements, or medical bills, and choose not to use them for day-to-day expenses.

With a home equity line, you will be approved for a specific amount of credit. Many lenders set the credit limit on a home equity line by taking a percentage (say, 75 percent) of the home's appraised value and subtracting from that the balance owed on the existing mortgage. For example:

Appraised value of home	\$100,000
Percentage	x 75%
Percentage of appraised value	= \$75,000
Less balance owed on mortgage	- \$40,000
Potential line of credit	\$35,000

In determining your actual credit limit, the lender will also consider your ability to repay the loan (principal and interest) by looking at your income, debts, and other financial obligations as well as your credit history.

Many home equity plans set a fixed period during which you can borrow money, such as 10 years. At the end of this "draw period," you may be allowed to renew the credit line. If your plan does not allow renewals, you will not be able to borrow additional money once the period has ended. Some plans may call for payment in full of any outstanding balance at the end of the period. Others may allow repayment over a fixed period (the "repayment period"), for example, 10 years.

Once approved for a home equity line of credit, you will most likely be able to borrow up to your credit limit whenever you want. Typically, you will use special checks to draw on your line. Under some plans, borrowers can use a credit card or other means to draw on the line.

There may be other limitations on how you use the line. Some plans may require you to borrow a minimum amount each time you draw on the line (for example, \$300) or keep a minimum amount outstanding. Some plans may also require that you take an initial advance when the line is set up.

WHAT SHOULD YOU LOOK FOR WHEN SHOPPING FOR A PLAN?

If you decide to apply for a home equity line of credit, look for the plan that best meets your particular needs. Read the credit agreement carefully, and examine the terms and conditions of various plans, including the annual percentage rate (APR) and the costs of establishing the plan. Remember, though, that the APR for a home equity line is based on the interest rate alone and will

not reflect closing costs and other fees and charges, so you'll need to compare these costs, as well as the APRs, among lenders.

Variable interest rates

Home equity lines of credit typically involve variable rather than fixed interest rates. The variable rate must be based on a publicly available index (such as the prime rate published in some major daily newspapers or a U.S. Treasury bill rate). In such cases, the interest rate you pay for the line of credit will change, mirroring changes in the value of the index. Most lenders cite the interest rate you will pay as the value of the index at a particular time, plus a "margin," such as 2 percentage points. Because the cost of borrowing is tied directly to the value of the index, it is important to find out which index is used, how often the value of the index changes, and how high it has risen in the past. It is also important to note the amount of the margin.

Lenders sometimes offer a temporarily discounted interest rate for home equity lines—an "introductory" rate that is unusually low for a short period, such as six months.

Variable-rate plans secured by a dwelling must, by law, have a ceiling (or cap) on how much your interest rate may increase over the life of the plan. Some variable-rate plans limit how much your payment may increase and how low your interest rate may fall if the index drops.

Some lenders allow you to convert from a variable interest rate to a fixed rate during the life of the plan, or let you convert all or a portion of your line to a fixed-term installment loan.

COSTS OF ESTABLISHING AND MAINTAINING A HOME EQUITY LINE

Many of the costs of setting up a home equity line of credit are similar to those you pay when you get a mortgage. For example:

- A fee for a property appraisal to estimate the value of your home;
- An application fee, which may not be refunded if you are turned down for credit;
- Up-front charges, such as one or more "points" (one point equals 1 percent of the credit limit); and
- Closing costs, including fees for attorneys, title search, mortgage preparation and filing, property and title insurance, and taxes.

In addition, you may be subject to certain fees during the plan period, such as annual membership or maintenance fees and a transaction fee every time you draw on the credit line.

You could find yourself paying hundreds of dollars to establish the plan. And if you were to draw only a small amount against your credit line, those initial charges would substantially increase the cost of the funds borrowed. On the other hand, because the lender's risk is lower than for other forms of credit, as your home serves as collateral, annual percentage rates for home equity lines are generally lower than rates for other types of credit. The interest you save could offset the costs of establishing and maintaining the line. Moreover, some lenders waive some or all of the closing costs.

HOW WILL YOU REPAY YOUR HOME EQUITY PLAN?

Before entering into a plan, consider how you will pay back the money you borrow. Some plans set a minimum monthly payment that includes a portion of the principal (the amount you borrow) plus accrued interest. But, unlike with typical installment loan agreements, the portion of your payment that goes toward principal may not be enough to repay the principal by the end of the term. Other plans may allow payment of *only the interest* during the life of the plan, which means that you pay nothing toward the principal. If you borrow \$10,000, you will owe that amount when the payment plan ends.

Regardless of the minimum required payment on your home equity line, you may choose to pay more, and many lenders offer a choice

of payment options. However, some lenders may require you to pay special fees or penalties if you choose to pay more, so check with your lender. Many consumers choose to pay down the principal regularly as they do with other loans. For example, if you use your line to buy a boat, you may want to pay it off as you would a typical boat loan.

Whatever your payment arrangements during the life of the plan—whether you pay some, a little, or none of the principal amount of the loan—when the plan ends, you may have to pay the entire balance owed, all at once. You must be prepared to make this “balloon payment” by refinancing it with the lender, by obtaining a loan from another lender, or by some other means. If you are unable to make the balloon payment, you could lose your home.

If your plan has a variable interest rate, your monthly payments may change. Assume, for example, that you borrow \$10,000 under a plan that calls for interest-only payments. At a 10 percent interest rate, your monthly payments would be \$83. If the rate rises over time to 15 percent, your monthly payments will increase to \$125. Similarly, if you are making payments that cover interest plus some portion of the principal, your monthly payments may increase, unless your agreement calls for keeping payments the same throughout the plan period.

If you sell your home, you will probably be required to pay off your home equity line in full immediately. If you are likely to sell your home in the near future, consider whether it makes sense to pay the up-front costs of setting up a line of credit. Also keep in mind that renting your home may be prohibited under the terms of your agreement.

LINE OF CREDIT VS. TRADITIONAL SECOND MORTGAGE LOANS

If you are thinking about a home equity line of credit, you might also want to consider a traditional second mortgage loan. This type of loan provides you with a fixed amount of money, repayable over a fixed period. In most cases, the payment schedule calls for equal payments that pay off the entire loan within the loan period. You might consider a second mortgage instead of a home equity line if, for example, you need a set amount for a specific purpose, such as an addition to your home, deciding which type of loan best suits your needs, consider the costs under the two alternatives. Look at both the APR and other charges. Do not, however, simply compare the APRs, because the APRs on the two types of loans are figured differently.

The APR for a traditional second mortgage loan takes into account the interest rate charged plus points and other finance charges.

- The APR for a home equity line of credit is based on the periodic interest rate alone. It does not include points or other charges.

Disclosures from lenders

The federal Truth in Lending Act requires lenders to disclose the important terms and costs of their home equity plans, including the APR, miscellaneous charges, the payment terms, and information about any variable-rate feature. And in general, neither the lender or anyone else may charge a fee until after you have received this information. You usually get these disclosures when you receive an application form, and you will get additional disclosures before the plan is opened. If any term (other than a variable-rate feature) changes before the plan is opened, the lender must return all fees if you decide not to enter into the plan because of the change. Lenders are also required to provide you with a list of homeownership counseling organizations in your area.

When you open a home equity line, the transaction puts your home at risk. If the home involved is your principal dwelling, the Truth in Lending Act gives you three days from the day the account was opened to cancel the credit line. This right allows you to change your mind for any reason. You simply inform the lender in writing within

the three-day period. The lender must then cancel its security interest in your home and return all fees—including any application and appraisal fees—paid to open the account.

The Home Ownership and Equity Protection Act of 1994 (HOEPA) addresses certain unfair practices and establishes requirements for certain loans with high rates and fees, including certain additional disclosures. HOEPA now covers some HELOCs. You can find out more information by contacting the CFPB at the website address and phone number listed in the Contact information appendix, below.

WHAT IF THE LENDER FREEZES OR REDUCES YOUR LINE OF CREDIT?

Plans generally permit lenders to freeze or reduce a credit line if the value of the home “declines significantly” or, when the lender “reasonably believes” that you will be unable to make your payments due to a “material change” in your financial circumstances. If this happens, you may want to:

- **Talk with your lender.** Find out what caused the lender to freeze or reduce your credit line and what, if anything, you can do to restore your line of credit, such as documentation showing that your house has retained its value or that there has not been a “material change” in your financial circumstances. You may want to get copies of your credit reports (go to the CFPB’s website at consumerfinance.gov/askfpb/5/can-i-review-my-credit-report.html) for information about how to get free copies of your credit reports) to make sure all the information in them is correct. If your lender suggests getting a new appraisal, be sure you discuss appraisal firms in advance so that you know they will accept the new appraisal as valid.
- **Shop around for another line of credit.** If your lender does not want to restore your line of credit, shop around to see what other lenders have to offer. If another lender is willing to offer you a line of credit, you may be able to pay off your original line of credit and take out another one. Keep in mind, however, that you may need to pay some of the same application fees you paid for your original line of credit.

DEFINED TERMS

This glossary provides general definitions for terms commonly used in the real estate market. They may have different legal meanings depending on the context.

Annual membership or maintenance fee

An annual charge for access to a financial product such as a line of credit, credit card, or account. The fee is charged regardless of whether or not the product is used.

Annual percentage rate (APR)

The cost of credit, expressed as a yearly rate. For closed-end credit, such as car loans or mortgages, the APR includes the interest rate, points, broker fees, and other credit charges that the borrower is required to pay. An APR, or an equivalent rate, is not used in leasing agreements.

Application fee

Fees charged when you apply for a loan or other credit. These fees may include charges for property appraisal and a credit report.

Balloon payment

A large extra payment that may be charged at the end of a mortgage loan or lease.

Cap (interest rate)

A limit on the amount that your interest rate can increase. Two types of interest-rate caps exist. *Periodic adjustment caps* limit the interest-rate increase from one adjustment period to the next. *Lifetime caps* limit the interest-rate increase over the life of the loan. By law, all adjustable-rate mortgages have an overall cap.

Closing or settlement costs

Fees paid when you close (or settle) on a loan. These fees may include application fees; title examination, abstract of title, title insurance, and property survey fees; fees for preparing deeds, mortgages, and settlement documents; attorneys’ fees; recording fees; estimated costs of taxes and insurance; and notary, appraisal, and credit report fees. Under the Real Estate Settlement Procedures Act, the borrower receives a good faith estimate of closing costs within three days of application. The good faith estimate lists each expected cost as an amount or a range.

Credit limit

The maximum amount that may be borrowed on a credit card or under a home equity line of credit plan.

Equity

The difference between the fair market value of the home and the outstanding balance on your mortgage plus any outstanding home equity loans.

Index

The economic indicator used to calculate interest rate adjustments for adjustable-rate mortgages or other adjustable-rate loans. The index rate can increase or decrease at any time. See also Selected index rates for ARMs over an 11-year period (consumerfinance.gov/H201204_CFPB_ARMs-brochure.pdf) for examples of common indexes that have changed in the past.

Interest rate

The percentage rate used to determine the cost of borrowing money, stated usually as a percentage of the principal loan amount and as an annual rate.

Margin

The number of percentage points the lender adds to the index rate to calculate the adjustable-rate-mortgage interest rate at each adjustment.

Minimum payment

The lowest amount that you must pay (usually monthly) to keep your account in good standing. Under some plans, the minimum payment may cover interest only; under others, it may include both principal and interest.

Points (also called discount points)

One point is equal to 1 percent of the principal amount of a mortgage loan. For example, if a mortgage is \$200,000, one point equals \$2,000. Lenders frequently charge points in both fixed-rate and adjustable-rate mortgages to cover loan origination costs or to provide additional compensation to the lender or broker. These points usually are paid at closing and may be paid by the borrower or the home seller, or may be split between them. In some cases, the money needed to pay points can be borrowed (incorporated in the loan amount), but doing so will increase the loan amount and the total costs. Discount points (also called discount fees) are points that you voluntarily choose to pay in return for a lower interest rate.

Security interest

If stated in your credit agreement, a creditor, lessor, or assignee’s legal right to your property (such as your home, stocks, or bonds) that secures payment of your obligation under the credit agreement. The property that secures payment of your obligation is referred to as “collateral.”

Transaction fee

Fee charged each time a withdrawal or other specified trans-

action is made on a line of credit, such as a balance transfer fee or a cash advance fee.

Variable rate
An interest rate that changes periodically in relation to an index, such as the prime rate. Payments may increase or decrease accordingly.

MORE INFORMATION

For more information about mortgages, including home equity lines of credit, visit consumerfinance.gov/mortgage. For answers to questions about mortgages and other financial topics, visit consumerfinance.gov/askcfrpb. You may also visit the CFPB's website at consumerfinance.gov/owning-a-home to access interactive tools and resources for mortgage shoppers, which are expected to be available beginning in 2014.

Housing counselors can be very helpful, especially for first-time home buyers or if you're having trouble paying your mortgage. The U.S. Department of Housing and Urban Development (HUD) supports housing counseling agencies throughout the country that can provide free or low-cost advice. You can search for HUD-approved housing counseling agencies in your area on the CFPB's web site at consumerfinance.gov/find-a-housing-counselor or by calling HUD's interactive toll-free number at 800-569-4287.

The company that collects your mortgage payments is your loan servicer. This may not be the same company as your lender. If you have concerns about how your loan is being serviced or another aspect of your mortgage, you may wish to submit a complaint to the CFPB at consumerfinance.gov/complaint or by calling (855) 411-CFPB (2372).

When you submit a complaint to the CFPB, the CFPB will forward your complaint to the company and work to get a response. Companies have 15 days to respond to you and the CFPB. You can review the company's response and give feedback to the CFPB.

CONTACT INFORMATION

For additional information or to submit a complaint, you can contact the CFPB or one of the other federal agencies listed below, depending on the type of institution. If you are not sure which agency to contact, you can submit a complaint to the CFPB and if the CFPB determines that another agency would be better able to assist you, the CFPB will refer your complaint to that agency and let you know.

Consumer Financial Protection Bureau (CFPB)

P.O. Box 4503
Iowa City, IA 52244
(855) 411-CFPB (2372)
www.consumerfinance.gov/complaint

Regulated Entities: Insured depository institutions and credit unions with assets greater than \$10 billion (and their affiliates), and non-bank providers of consumer financial products and services, including mortgages, credit cards, debt collection, consumer reports, prepaid cards, private education loans, and payday lending

Federal Housing Finance Agency (FHFA)

Consumer Communications
Constitution Center
400 7th Street, S.W.
Washington, DC 20024
(202) 649-3811

www.fhfa.gov
www.fhfa.gov/Default.aspx?Page=369

Regulated Entities: Fannie Mae, Freddie Mac, and the Federal Home Loan Banks

National Credit Union Administration (NCUA)

Consumer Assistance
1775 Duke Street
Alexandria, VA 22314
(800) 755-1030
www.ncua.gov

www.mycreditunion.gov

Regulated Entity: Federally chartered credit unions

Federal Trade Commission (FTC)

Consumer Response Center
600 Pennsylvania Avenue, N.W.
Washington, DC 20580
(877) FTC-HELP or
(877) 382-4357
www.ftc.gov

www.ftc.gov/bcp

Regulated Entities: Finance companies, retail stores, auto dealers, mortgage companies and other lenders, and credit bureaus

Farm Credit Administration

Office of Congressional and Public Affairs
1501 Farm Credit Drive
McLean, VA 22102
(703) 883-4056
www.fca.gov

Regulated Entity: Agricultural lenders

Small Business Administration (SBA)

Consumer Affairs
409 3rd Street, S.W.
Washington, DC 20416
(800) U-ASK-SBA or
(800) 827-5722
www.sba.gov

Regulated Entity: Small business lenders

U.S. Department of Justice (DOJ)

Civil Rights Division
950 Pennsylvania Avenue, N.W.
Housing and Civil Enforcement Section
Washington, DC 20530
(202) 514-4713

TTY-(202) 305-1882
FAX-(202) 514-1116

To report an incident of housing discrimination:
1-800-896-7743

fairhousing@usdoj.gov

Regulated Entities: Fair lending and fair housing issues

Department of Housing and Urban Development (HUD)

Office of Fair Housing/Equal Opportunity
451 7th Street, S.W.
Washington, DC 20410
(800) 669-9777
www.hud.gov/complaints

Regulated Entities: Fair lending and fair housing issues

HOME EQUITY PLAN CHECKLIST

Ask your lender to help you fill out this worksheet.

BASIC FEATURES FOR COMPARISON

- Fixed annual percentage rate
- Variable annual percentage rate
- Index used and current value
- Amount of margin
- Frequency of rate adjustments
- Amount/length of discount (if any)
- Interest-rate cap and floor

Length of plan

- Draw period
- Repayment period

Initial fees

- Appraisal fee
- Application fee
- Up-front charges, including points
- Closing costs

REPAYMENT TERMS

During the draw period

- Interest and principal payments
- Interest-only payments
- Fully amortizing payments

When the draw period ends

- Balloon payment?
- Renewal available?
- Refinancing of balance by lender?