

FIXED RATE SECOND MORTGAGE LOANS

WHY NOT LET THE EQUITY IN YOUR HOME WORK FOR YOU?

Having equity in your home is a huge advantage of home ownership. You can use your equity for home improvements, tuition, debt consolidation, etc. Educational Systems Federal Credit Union makes selecting a Fixed Rate Second Mortgage Loan that meets your needs easy. Repayment terms up to 15 years available.

HOW MUCH CAN I BORROW?

You may apply to borrow up to 90% of your home's value minus your first mortgage balance. A mortgage loan representative will be glad to assist you in deciding which term best suits your budget.

ARE THERE ANY TAX ADVANTAGES?

Unlike most consumer loans and high interest credit cards, the interest you pay on a Fixed Rate Second Mortgage Loan may be tax deductible. Educational Systems Federal Credit Union recommends that you consult with your personal tax advisor.

ARE THERE CLOSING COSTS OR FEES INVOLVED?

Our Second Mortgage Loans have great rates with no points or application fees. Educational Systems Federal Credit Union is currently offering a promotion whereby we will pay the costs and fees associated with the settlement of a Fixed Rate Second Mortgage Loan¹. To qualify for this promotion, your loan amount must be at least \$10,000 and it must remain open for at least 36 months or the fees have to be repaid to the Credit Union.

WHAT DOCUMENTS DO I NEED TO PROVIDE?

You will need to provide the completed application, two most recent pay stubs on each borrower (or equivalent income verification), a copy of a government issued ID for all borrowers, a copy of your monthly mortgage statement along with a copy of your Homeowner's Insurance Declarations page. Additional information may be required.

HOW LONG WOULD THE PROCESS TAKE?

Once all of the required documentation is received, settlement generally occurs within 21 to 30 business days. Funds would then be disbursed after the required rescission period expires (3 business days).

HOW DO I APPLY?

You can submit your application and documents by:

- Email to mortgagecenter@esfcu.org
- Fax to 301.985.4667
- Mail - Educational Systems FCU, PO Box 179, Greenbelt, MD 20768-0179
- Bring to any Educational Systems FCU branch location

If you need assistance or have any questions, please contact us at **301.779.8500 ext. 4045**.

¹ Certain restrictions may apply. Appraisal fee collected upfront during application and is non-refundable until loan proceeds are disbursed. Appraisal fees cost up to \$500 paid by the credit union.

FIXED RATE SECOND MORTGAGE LOANS

Interest Rate Information

Loan Type	Term	APR	Monthly Payment Per \$1,000	Rate As Low As
Home Equity Loan	Up to 5 years	4.25%	\$9.27	4.25%
	Up to 10 years	5.25%*	\$5.37	5.25%
	Up to 15 years	7.00%	\$4.50	7.00%

The Annual Percentage Rate (APR) is determined by your credit score, Loan-to-Value (LTV) and repayment term. Some restrictions may apply. Consult your tax advisor to determine whether the interest is tax deductible. Rate subject to change without notice.

*In our monthly payment example, with a loan of \$50,000, for 10 years, multiply 5.37 x 100 = \$537 per month; your loan will have a total cost of \$64,440 (\$537 x 120).

Express Application

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 the appropriate section below. If Co-Borrower is spouse of the Applicant, mark the Co-Applicant box.

Guarantor: Complete the **Other** section if you are a guarantor on an account/loan.

Check below to indicate the type of account(s) and type of credit for which you are applying. Married Applicants: May apply for a separate account.

<input type="checkbox"/> Individual Credit	<input type="checkbox"/> Joint Credit	TYPE OF CREDIT REQUESTED:	<input type="checkbox"/> HOME EQUITY LINE OF CREDIT
			<input type="checkbox"/> FIXED RATE SECOND MORTGAGE
Amount Requested \$	TERM REQUESTED:		<input type="checkbox"/> 5 Years <input type="checkbox"/> 10 Years <input type="checkbox"/> 15 Years
Purpose:	Property Address:		

PAYMENT PROTECTION	Are you interested in having your loan protected? <input type="checkbox"/> Yes <input type="checkbox"/> 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	<input type="checkbox"/> CO-APPLICANT <input type="checkbox"/> SPOUSE <input type="checkbox"/> OTHER
NAME	NAME
ACCOUNT NUMBER	ACCOUNT NUMBER
SOCIAL SECURITY NUMBER	DRIVER'S LICENSE NUMBER/STATE
BIRTH DATE HOME PHONE CELL PHONE BUSINESS PHONE/EXT.	BIRTH DATE 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
If residing at present address for less than 2 years, complete the following:	
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)
EMPLOYMENT/INCOME	EMPLOYMENT/INCOME
NAME OF EMPLOYER	NAME OF EMPLOYER
TITLE/POSITION/TYPE OF BUSINESS	TITLE/POSITION/TYPE OF BUSINESS
	STARTING DATE
IF EMPLOYED IN CURRENT POSITION LESS THAN TWO YEARS, COMPLETE PREVIOUS EMPLOYER NAME	IF EMPLOYED IN CURRENT POSITION LESS THAN TWO YEARS, COMPLETE PREVIOUS EMPLOYER NAME
TITLE/POSITION/TYPE OF BUSINESS	TITLE/POSITION/TYPE OF BUSINESS
STARTING DATE	ENDING DATE
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	OTHER INCOME
\$ _____ Per _____	\$ _____ Per _____
<input type="checkbox"/> NET <input type="checkbox"/> GROSS	SOURCE

APPLICANT	<input type="checkbox"/> CO-APPLICANT <input type="checkbox"/> SPOUSE <input type="checkbox"/> OTHER
NAME	NAME
ACCOUNT NUMBER	ACCOUNT NUMBER
SOCIAL SECURITY NUMBER	DRIVER'S LICENSE NUMBER/STATE
BIRTH DATE HOME PHONE CELL PHONE BUSINESS PHONE/EXT.	BIRTH DATE 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
If residing at present address for less than 2 years, complete the following:	
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)
EMPLOYMENT/INCOME	EMPLOYMENT/INCOME
NAME OF EMPLOYER	NAME OF EMPLOYER
TITLE/POSITION/TYPE OF BUSINESS	TITLE/POSITION/TYPE OF BUSINESS
	STARTING DATE
IF EMPLOYED IN CURRENT POSITION LESS THAN TWO YEARS, COMPLETE PREVIOUS EMPLOYER NAME	IF EMPLOYED IN CURRENT POSITION LESS THAN TWO YEARS, COMPLETE PREVIOUS EMPLOYER NAME
TITLE/POSITION/TYPE OF BUSINESS	TITLE/POSITION/TYPE OF BUSINESS
STARTING DATE	ENDING DATE
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	OTHER INCOME
\$ _____ Per _____	\$ _____ Per _____
<input type="checkbox"/> NET <input type="checkbox"/> GROSS	SOURCE

REAL ESTATE OWNED		Check box for Applicant/Other.	
APPLICANT	OTHER	LIST addresses of your home and all other properties you own. For Example: House, Land, Timeshare, etc.	MARKET VALUE
		HOME*	\$
			\$
			\$

PLEGDED AS COLLATERAL FOR ANOTHER LOAN		
YES		NO
YES		NO
YES		NO

*LIST ALL LIENS AGAINST YOUR HOME -- This section must be completed for the property which will be given as security. A lien is a legal claim filed against property as security for payment of a debt. Liens include mortgages, deeds of trust, land contracts, judgments and past due taxes.

FIRST MORTGAGE HELD BY	OTHER LIENS (Describe)
PRESENT BALANCE \$	MONTHLY PAYMENT \$
	INTEREST RATE %
IS THE PROPERTY DESCRIBED IN THIS SECTION: YOUR PRINCIPAL DWELLING? <input type="checkbox"/> YES <input type="checkbox"/> NO	
LISTED AS THE APPLICANT'S ADDRESS IN THE "APPLICANT INFORMATION" SECTION? <input type="checkbox"/> YES <input type="checkbox"/> NO	
IS ANYONE OTHER THAN YOUR SPOUSE A PART OWNER OF YOUR HOME? <input type="checkbox"/> YES <input type="checkbox"/> NO	

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

SIGNATURES

You promise that everything you have stated in this application is correct to the best of your knowledge. If there are any important changes you will notify us in writing immediately. 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.

You understand that the Credit Union will rely on the information in this application and your credit report to make its decision. 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. It is a crime to willfully and deliberately provide incomplete or incorrect information in this application.

X	(SEAL)
APPLICANT'S SIGNATURE	DATE

X	(SEAL)
OTHER SIGNATURE	DATE

LOAN ORIGINATOR ORGANIZATION
LOAN ORIGINATOR

NMLSR ID NUMBER
NMLSR ID NUMBER

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 (e.g. ethnicity, race and sex) 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. You may select one or more “Hispanic or Latino” origins and one or more designations for “race”. 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, race and sex on the basis of visual observation and surname. If you do not wish to provide some or all of this information, please check below.

Check one or more that apply.

Applicant name

Co-Applicant name

Applicant

Co-Applicant

Ethnicity

Ethnicity

- Hispanic or Latino
 - Mexican
 - Puerto Rican
 - Cuban
 - Other Hispanic or Latino
Print origin below (e.g. Argentinean, Colombian, Dominican, Nicaraguan, Salvadoran, Spaniard, etc.):

- Hispanic or Latino
 - Mexican
 - Puerto Rican
 - Cuban
 - Other Hispanic or Latino
Print origin below (e.g. Argentinean, Colombian, Dominican, Nicaraguan, Salvadoran, Spaniard, etc.):

- Not Hispanic or Latino

- Not Hispanic or Latino

- I do not wish to provide this information

- I do not wish to provide this information

Race

Race

- American Indian or Alaska Native
Print name of enrolled or principal tribe:

- American Indian or Alaska Native
Print name of enrolled or principal tribe:

- Asian
 - Asian Indian
 - Chinese
 - Filipino
 - Japanese
 - Korean
 - Vietnamese
 - Other Asian
Print race (e.g. Hmong, Laotian, Thai, Pakistani, Cambodian, etc.):

- Asian
 - Asian Indian
 - Chinese
 - Filipino
 - Japanese
 - Korean
 - Vietnamese
 - Other Asian
Print race (e.g. Hmong, Laotian, Thai, Pakistani, Cambodian, etc.):

Applicant name

Co-Applicant name

Applicant

Co-Applicant

- Black or African American
- Native Hawaiian or Other Pacific Islander
 - Native Hawaiian
 - Guamanian or Chamorro
 - Samoan
 - Other Pacific Islander
Print race (e.g. Fijian, Tongan, etc.):

- Black or African American
- Native Hawaiian or Other Pacific Islander
 - Native Hawaiian
 - Guamanian or Chamorro
 - Samoan
 - Other Pacific Islander
Print race (e.g. Fijian, Tongan, etc.):

- White
- I do not wish to provide this information

- White
- I do not wish to provide this information

Sex

Sex

- Female
- Male
- I do not wish to provide this information

- Female
- Male
- I do not wish to provide this information

To be completed by financial institution (for an application taken in person):

	Yes	No
Was the ethnicity of the Applicant collected on the basis of visual observation or surname?	<input type="checkbox"/>	<input type="checkbox"/>
Was the ethnicity of the Co-Applicant collected on the basis of visual observation or surname?	<input type="checkbox"/>	<input type="checkbox"/>
Was the race of the Applicant collected on the basis of visual observation or surname?	<input type="checkbox"/>	<input type="checkbox"/>
Was the race of the Co-Applicant collected on the basis of visual observation or surname?	<input type="checkbox"/>	<input type="checkbox"/>
Was the sex of the Applicant collected on the basis of visual observation or surname?	<input type="checkbox"/>	<input type="checkbox"/>
Was the sex of the Co-Applicant collected on the basis of visual observation or surname?	<input type="checkbox"/>	<input type="checkbox"/>