

## **FIXED RATE SECOND MORTGAGE**

### **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?**

There are no points or application fees. A property valuation is required. Closing costs vary and depend on the location of the property and the amount of the loan. They typically range between \$800 and \$2,000.

Customary closing costs at closing will be paid by the Credit Union. The closing costs will be recouped by the Credit Union if the loan is paid off and closed within 36 months.

### **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 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:

- [Website](#)
- Email to [mortgagecenter@esfcu.org](mailto:mortgagecenter@esfcu.org)
- Fax to 240.599.7421
- 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. 5401**.

**INTEREST RATE INFORMATION**

Loan Type	Term	APR	Monthly Payment Per \$1,000	Rate As Low As
Home Equity Loan	Up to 5 years	6.250%	\$19.45	6.250%
	Up to 10 years	6.625%*	\$11.42*	6.625%
	Up to 15 years	6.990%	\$8.98	6.990%

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.

\* Monthly payment example: A loan of \$50,000 financed for 10 years at 6.625% would be  $\$11.42 \times 50 = \$571$  per month; your loan will have a total cost of \$68,520 ( $\$571 \times 120$ ).





PO Box 179  
Greenbelt, MD 20768-0179  
Phone: 301.779.8500  
esfcu.org

# 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  <b>X</b>	Date  (Seal)
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Co-Applicant's Signature  <b>X</b>	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)			

EMPLOYMENT INFORMATION			
NAME OF EMPLOYER		NAME OF EMPLOYER	
YOUR TITLE/GRADE		YOUR TITLE/GRADE	
START DATE	HOURS AT WORK	IF SELF EMPLOYED, TYPE OF BUSINESS	
IF EMPLOYED IN CURRENT POSITION LESS THAN TWO YEARS, COMPLETE PREVIOUS EMPLOYER NAME			
STARTING DATE		ENDING 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 MONTH	EMPLOYMENT INCOME \$	PER MONTH
OTHER INCOME \$	PER MONTH	OTHER INCOME \$	PER MONTH
SOURCE		SOURCE	
OTHER INCOME \$	PER MONTH	OTHER INCOME \$	PER MONTH
SOURCE		SOURCE	

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

PROPERTY TYPE	LIST PROPERTIES THAT YOU OWN AND ADDRESS OF PROPERTY	MARKET VALUE	PLEGDED 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

**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 SEVEN 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
<b>X</b>	(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
<b>X</b>	(Seal)

Other Signature	Date
<b>X</b>	(Seal)

\_\_\_\_\_  
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"/>