



**Borrowers Agreement for Appraisal Payment
And Repayment of Closing Costs**

I (We), _____ and _____ authorize Amherst Federal Credit Union to have my(our) property appraised, for the purpose of a Home Equity Loan with the credit union.

It is my(our) understanding that the cost of the appraisal is paid for by AFCU, under the Home Equity agreement.

If, however, for any reason, there is a problem with the appraisal, or it does not reflect enough value to pursue this Home Equity Loan, or I(We) decide not to proceed with this Home Equity Loan, I(We) agree to reimburse the Amherst Federal Credit Union for the full cost of the appraisal.

I (We) also understand that if I (We) do not take our first advance within the first 6 months of the Home Equity Credit Line being established, I (We) will be responsible for paying the full amount of the closing costs.

_____ Borrower 1 _____ Date

_____ Borrower 2 _____ Date

1 NOTE AND COMPLETE
 Married Applicants may apply for a separate account. Check the appropriate box to indicate Individual Credit or Joint Credit.

NOTICE TO OHIO APPLICANTS: 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.

- Individual Credit:** Complete **Applicant** section. Complete **Co-Applicant, Spouse** (referred to as "Other") section: (1) about your spouse if you live in a community property state (AZ, CA, ID, LA, NM, NV, TX, WA, WI), or (2) if your spouse will use the Account. Please check box to indicate whom the information is about.
- Joint Credit:** Each Applicant must **individually** complete the appropriate section below. If Co-Borrower is spouse of the Applicant, mark the Co-Applicant box.

Amount Requested \$ _____ **Purpose:** _____
Repayment: Payroll Deduction Cash Automatic Payment Military Allotment _____

STATEMENT OF INTENT

Are you interested in having your loan protected? Yes No
 If you answer "Yes," then the credit union will disclose the costs of this voluntary payment protection to you. A separate election which discloses the terms and conditions must be signed for protection to be effective.

2 APPLICANT INFORMATION

APPLICANT

Please print in ink or type.

NAME (Last - First - Initial) _____
 DRIVER'S LICENSE NUMBER / STATE _____
 ACCOUNT NUMBER _____ SOCIAL SECURITY NUMBER _____
 BIRTH DATE _____ HOME PHONE _____ BUSINESS PHONE / EXT. _____
 PRESENT ADDRESS (Street - City - State - Zip) _____ OWN RENT
 YEARS AT THIS ADDRESS _____
 PREVIOUS ADDRESS (Street - City - State - Zip) _____ OWN RENT
 YEARS AT THIS ADDRESS _____
 COMPLETE FOR JOINT CREDIT, SECURED CREDIT OR IF YOU LIVE IN A COMMUNITY PROPERTY STATE:
 MARRIED SEPARATED UNMARRIED (Single - Divorced - Widowed)
 LIST AGES OF DEPENDENTS NOT LISTED BY OTHER APPLICANT _____
 (Exclude Self)

CO-APPLICANT **SPOUSE**

Use "SAA" if information is "Same As Applicant".

NAME (Last - First - Initial) _____
 DRIVER'S LICENSE NUMBER / STATE _____
 ACCOUNT NUMBER _____ SOCIAL SECURITY NUMBER _____
 BIRTH DATE _____ HOME PHONE _____ BUSINESS PHONE / EXT. _____
 PRESENT ADDRESS (Street - City - State - Zip) _____ OWN RENT
 YEARS AT THIS ADDRESS _____
 PREVIOUS ADDRESS (Street - City - State - Zip) _____ OWN RENT
 YEARS AT THIS ADDRESS _____
 COMPLETE FOR JOINT CREDIT, SECURED CREDIT OR IF YOU LIVE IN A COMMUNITY PROPERTY STATE:
 MARRIED SEPARATED UNMARRIED (Single - Divorced - Widowed)
 LIST AGES OF DEPENDENTS NOT LISTED BY APPLICANT _____
 (Exclude Self)

3 EMPLOYMENT INFORMATION

NAME AND ADDRESS OF EMPLOYER _____
 YOUR TITLE / GRADE _____ SUPERVISOR'S NAME _____
 START DATE _____ HOURS AT WORK _____ IF SELF EMPLOYED, TYPE OF BUSINESS _____
 IF EMPLOYED IN CURRENT POSITION LESS THAN FIVE YEARS, COMPLETE PREVIOUS EMPLOYER NAME AND ADDRESS _____ STARTING DATE _____ ENDING DATE _____
MILITARY IS DUTY STATION TRANSFER EXPECTED DURING NEXT YEAR YES NO WHERE _____ ENDING / SEPARATION DATE _____

NAME AND ADDRESS OF EMPLOYER _____
 YOUR TITLE / GRADE _____ SUPERVISOR'S NAME _____
 START DATE _____ HOURS AT WORK _____ IF SELF EMPLOYED, TYPE OF BUSINESS _____
 IF EMPLOYED IN CURRENT POSITION LESS THAN FIVE YEARS, COMPLETE PREVIOUS EMPLOYER NAME AND ADDRESS _____ STARTING DATE _____ ENDING DATE _____
 IS DUTY STATION TRANSFER EXPECTED DURING NEXT YEAR YES NO WHERE _____ ENDING / SEPARATION DATE _____

4 INCOME INFORMATION

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

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

5 REFERENCES
 Please include Street, City, State and Zip.

NAME AND ADDRESS OF NEAREST RELATIVE NOT LIVING WITH YOU _____ RELATIONSHIP _____ HOME PHONE _____
 NAME AND ADDRESS OF PERSONAL FRIEND -NOT A RELATIVE _____ HOME PHONE _____

NAME AND ADDRESS OF NEAREST RELATIVE NOT LIVING WITH YOU _____ RELATIONSHIP _____ HOME PHONE _____
 NAME AND ADDRESS OF PERSONAL FRIEND -NOT A RELATIVE _____ HOME PHONE _____

APPLICANT

OTHER (CO-APPLICANT, SPOUSE)

6A ASSETS/PROPERTY
Check box for Applicant/Other. List all assets and account number(s)—Attach other sheets if necessary.

SHARE DRAFT OR CHECKING AMOUNT \$	NAME AND ADDRESS OF DEPOSITORY	SHARE DRAFT OR CHECKING AMOUNT \$	NAME AND ADDRESS OF DEPOSITORY	
SAVINGS AMOUNT \$	NAME AND ADDRESS OF DEPOSITORY	SAVINGS AMOUNT \$	NAME AND ADDRESS OF DEPOSITORY	
APPLICANT	LIST HOME AND ALL OTHER ITEMS YOU OWN AND LOCATION OF PROPERTY For Example: Auto, Boat, Stocks, Bonds, Cash, Household Goods, Real Estate, etc.	MARKET VALUE	PLEGED AS COLLATERAL FOR ANOTHER LOAN	
OTHER				
HOME*				
		\$	YES	NO
		\$	YES	NO
		\$	YES	NO

6B*
This section must be completed for the property which will be given as security, if applicable.

LIST EVERY LIEN AGAINST YOUR HOME
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 \$	
IS THE PROPERTY DESCRIBED IN THIS SECTION: YOUR PRINCIPAL DWELLING? LISTED AS THE APPLICANT'S ADDRESS IN THE "APPLICANT INFORMATION" SECTION?	IS ANYONE OTHER THAN YOUR SPOUSE A PART OWNER OF YOUR HOME?
<input type="checkbox"/> YES <input type="checkbox"/> NO	<input type="checkbox"/> YES <input type="checkbox"/> NO

7 DEBTS
In addition to Rent/Mortgage list all other debts (for example, auto loans, credit cards, second mortgage, home assoc. dues, alimony, child support, child care, medical, utilities, auto insurance, IRS liabilities, etc.) Please use a separate line for each credit card and auto loan. Attach other sheets if necessary.

APPLICANT	CREDITOR NAME AND ADDRESS	ACCOUNT NUMBER	ORIGINAL BALANCE	PRESENT BALANCE	MONTHLY PAYMENT	IF PAST DUE <input checked="" type="checkbox"/>
OTHER	<input type="checkbox"/> RENT <input type="checkbox"/> MORTGAGE (Incl. Tax & Ins.)		\$	\$	\$	
			\$	\$	\$	
			\$	\$	\$	
			\$	\$	\$	
			\$	\$	\$	
			\$	\$	\$	
			\$	\$	\$	
			\$	\$	\$	
			\$	\$	\$	
			\$	\$	\$	
			\$	\$	\$	
LIST ANY NAMES UNDER WHICH YOUR CREDIT REFERENCES AND CREDIT HISTORY CAN BE CHECKED			TOTALS	\$	\$	\$

8 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 YES NO	OTHER YES NO
HAVE YOU EVER FILED FOR BANKRUPTCY OR HAD A DEBT ADJUSTMENT PLAN CONFIRMED UNDER CHAPTER 13?		
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):

9 SIGNATURES

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, renewal or extension of the credit received. 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 federal crime to willfully and deliberately provide incomplete or incorrect information on loan applications made to Federal Credit Unions or State Chartered Credit Unions insured by NCUA. 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.

X _____ **X** _____
APPLICANT'S SIGNATURE DATE OTHER SIGNATURE DATE

10 CREDIT UNION INFORMATION
Do not write in this section—for credit union use only. Check applicable box(es).

LOAN OFFICER ADVANCE APPROVED: YES NO COUNTER OFFER WILL BE MADE, IF ACCEPTED, ADVANCE APPROVED

CREDIT COMMITTEE OR OTHER OUTSIDE INFORMATION CONSIDERED: YES NO IF YES, ATTACH ADDITIONAL SHEET AND DESCRIBE

REFERRED TO / REASON(S) FOR REFERRAL: _____ \$ _____ APPROVED LIMIT _____ DEBT RATIO _____

DESCRIBE COUNTER OFFER: _____

SPECIFIC REASON(S) FOR REJECTION: _____

SIGNATURES: _____ DATE _____
 LOAN OFFICER **X** _____ **X** _____
 CREDIT COMMITTEE _____ DATE _____

ECOA NOTICE AND REASON FOR REJECTION SENT OR DELIVERED ON _____ (DATE) BY _____ (INITIALS)



6470 Main Street, Suite 5
Amherst NY 14221-5899

Tel: 716-634-3881
Fax: 716-634-1272
Teller 24: 716-634-2025
Website: www.amherstcu.org

HOME EQUITY LINES OF CREDIT CHECK LIST

Date _____

Name/Borrower _____

Address _____

Amount of Mortgage \$ _____

_____ Application

_____ Income Verification

Additional:

_____ A. Copy of Recorded Deed

_____ B. Copy of Survey

_____ C. Tax receipts- School, County, City

_____ D. Recent Mortgage Statement

_____ E. Endorsement to your Homeowners Insurance Policy

_____ F. 100% waiver of closing costs: 3-year closing cost payback
(completed at the credit union)

_____ G. Other: _____



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HOW DO I COMPUTE THE MAXIMUM CREDIT LINE FOR WHICH I MAY APPLY?

The maximum credit line for which you may apply is 85% of the equity in your home up to \$200,000.00 computed as follows:

Fair Market Value of Home \$ _____
Times Equity Percentage _____ x 85%
Equity Subtotal \$ _____
Minus Unpaid Mortgages \$ _____
Maximum Credit Line \$ _____

The Credit Union will pay 100% of the closing costs provided. The initial draw is at least \$10,000 and you keep the home equity credit line open for a minimum three year period. If you pay off or close your home equity credit line within three years, you will be required to repay a percentage of the closing costs paid by the Credit Union.

WHAT REAL PROPERTY DOCUMENTS MUST I FURNISH?

The following must be furnished to the credit union for forwarding to our attorney. If you have any questions please call Amherst FCU at 716-634-3881.

- A. Copy of Deed
- B. Print of survey (or photocopy) showing the property and improvements as presently constituted. The survey will not be returned to you; if you require additional copies you should make these before giving the survey to the Credit Union.
- C. Copies of current bills for county tax, school and village tax (if applicable) receipted by the government agency to show payment.
- D. Copy of recent mortgage statement showing the balance due on your mortgage.
- E. Endorsement to your Homeowners Insurance Policy (and also Flood Insurance if your house is in a designated flood district) naming AMHERST FEDERAL CREDIT UNION, 6470 Main St., Amherst, New York 14221 as an additional insured. (This can be furnished later; do not delay forwarding the other documents while waiting for the insurance binders.)

It will take approximately two to three weeks after our attorney receives the deed and survey to have the Abstract updated, obtain a commitment for the title insurance and prepare the mortgage and other closing documents.



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HOME EQUITY LINES OF CREDIT Members' Information Bulletin

What is a Home Equity Line of Credit

Many members own homes in which the value of the property is greater than existing mortgage debt. The difference between the value of the home and the mortgage debt is called equity. A new line of credit can be obtained, generally at a favorable interest rate, by offering to grant the lender a security interest (sometimes called a second mortgage) in the equity value of the home. This service is an open end line of credit designed for members interested in a Home Equity Loan with the convenience of a line of credit. Members are able to take advances as needed, rather than a lump sum. We offer two lines of credit, a variable rate and a fixed rate. The variable rate is tied to prime rate and may change only two times per year. Home Equity lines of credit can be used for any purpose such as home improvement, education, debt consolidation or other reasonable expenses.

Eligibility

Application for a home equity line of credit may be made by any member of the Credit Union who is the owner and occupant of a residence in which the available equity plus existing mortgage loan(s) is estimated to be not greater than 85% of the appraised value of that property.

Income Tax Implications

Borrowers using home equity as security are advised to consult with a tax specialist regarding the income tax implications for interest paid on a home equity loan.

Repayment Terms

Payment is based upon a level amortization schedule with a maximum of 15 years for owner occupied residential property.

Late payment

After 10 days, a penalty of 2% of the payment due is assessed and payable.

Early repayment penalty

No interest penalty is assessed for early repayment. Reimbursement to the Credit Union for its share of closing costs is due and payable as described below under Sharing of closing costs.

Sharing of closing costs

Closing costs include such items as appraisal, title insurance, mortgage tax and legal fees. The Credit Union will provide an estimate of closing costs at the time of application. The Credit Union will pay 100% of all closing costs over the term of the loan. In the case of early repayment before the loan term surpasses the 36 month mark, the borrower is responsible for paying a pro-rated balance of closing costs.

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Appraisals

The appraisal of all real estate offered for security for a home equity loan is made by an independent certified or licensed appraiser and obtained, as needed, by the Credit Union.

Hazard Insurance

All property offered as security must be insured against loss due to fire and other hazards. Such insurance must also include extended coverage. The insurance company providing such coverage shall be requested to issue statement listing the Credit Union as first second or other mortgagee with financial interest in the mortgaged property. The policy must be in an amount not less than the lower of the original loan balance or the replacement value of the structure.

Flood Insurance

Where flood insurance is required, the amount of insurance must be equal to the outstanding balance of the loan or the maximum amount available under the Flood Disaster Protection Act, whichever is less. Evidence of this coverage must be submitted to the Credit Union at closing and must remain in force until the loan is repaid. If this insurance is not provided, the loan is cancelled.

Subsequent Loans

A borrower may apply for a subsequent loan against any unused equity covered in the original mortgage. The interest rate applicable to the new loan will be the rate in effect at the time that such subsequent loan is obtained. This rate may be greater or smaller than the rate of the original loan. The borrower may request that any previous unpaid loan balance be consolidated with a subsequent loan and that the total amount become payable as a new loan. In such case a blended rate may be established. The borrower may choose to obtain separate notes and payment schedules. Any fee for subsequent searches will be paid in full by the borrower or shared by the Credit Union as described above and as agreed at the time of this subsequent loan.

Lending Decision

As with all lending decisions, the Credit Committee/ Loan Officer will use the following sources of information:

- I. Debt ratios
- II. Security of employment
- III. Borrowing history at the Credit Union
- IV. Value of security offered
- V. Information from credit report, including credit score and credit history (Credit Bureau)
- VI. The decision to grant the loan will also be affected by availability of funds and other factors deemed appropriate by the Credit Committee/Loan Officer.

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What if I own the property jointly?

A If the property is owned jointly by you and your spouse or another person, both of you must sign the application, the mortgage documents and, if requested by the credit union, vouchers or notes required to obtain advances. The property will be subject to a lein for all advances made to either of you up to the maximum credit line even if you had no knowledge of a particular advance to the other owner.

May I use a credit line mortgage to purchase a property?

The credit line mortgage may be used to purchase property other than the same property, which will be pledged as collateral for repayment of the loan.

What if I want to learn more about the plan?

A copy of the Home Equity Credit Line agreement is available upon request. In addition, Credit Union personnel will answer any questions you may have.

NOTICE TO BORROWERS

The SAFE Act requires financial institutions that originate mortgage loans (Home Equity Loans, Home Equity Lines of Credit, Mini Equity Loans and First Mortgages) to register with the Nationwide Licensing System & Registry (NMLS).

Loan Officers at financial institutions that are involved with mortgage loans in any aspect are considered Mortgage Loan Originators (MLO) and must also be individually registered with the NMLS.

Each financial institution and MLO are assigned unique ID numbers. It is the consumers' right to verify that the financial institution and/or Loan Officer are registered with the NMLS.

The NMLS Consumer Access website is:
www.NMLSconsumeraccess.org

The following employees of Amherst Federal Credit Union (463322)
are registered MLO's with the NMLS:

Cindy Tichenor MLO#1432430
Jolene Bosworth MLO#1476119
Keri Walczyk MLO #583635
Stacey Koczaja MLO#1432021



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HOEPA (Home Ownership and Equity Protection Act Policy)

The new Home Ownership and Equity Protection Act (HOEPA) Rule (effective January 10, 2014) is a part of the Consumer Financial Protection Bureau (CFPB) Mortgage Rule release. One of the changes credit unions face when providing mortgage loans to members is the new requirements for credit counseling.

Written List of Housing Counselors

Credit Unions are required to provide a list of homeownership counseling organizations to members within three business days after they apply for a mortgage loan. This includes first and subordinate liens on residential real property designed for one to four families, with the exclusion of reverse mortgages and mortgage loans secured by a timeshare.

Members may obtain a list of credit counselors by following these steps:

- I. Go to the CFPB's website, www.consumerfinance.gov/find-a-housing-counselor.
- II. Type in your zip code and select "Find A Counselor"
- III. A map and a list of counselors in your area will be provided.

Housing counseling agencies approved by the U.S. Department of Housing and Urban Development (HUD) can offer independent advice about whether a particular set of mortgage loan terms is a good fit based on your objectives and circumstances, often at little or no cost.

If you are interested in contacting a HUD-approved housing counseling agency in your area, you can visit the Consumer Financial Protection Bureau's (CFPB) website, www.consumerfinance.gov/find-a-housing-counselor, and enter your zip code.

You can also access HUD's housing counseling agency website via www.consumerfinance.gov/mortgagehelp.

For additional assistance with locating a housing counseling agency, call the CFPB at 1-855-411-CFPB (2372).



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