

HOME EQUITY LINE OF CREDIT APPLICATION

IT TAKES TIME TO BUILD UP YOUR RESERVES,
AND RATHER THAN PULLING OUT YOUR SAVINGS OR INVESTMENTS,
TAKING OUT A HOME EQUITY LOAN OR REFINANCING A CURRENT EQUITY
LOAN MAY BE THE RIGHT ALTERNATIVE FOR YOU. YOU'VE EARNED THE RIGHT TO
HAVE MONEY WHEN YOU NEED IT. YOU'LL BE ABLE TO UTILIZE YOUR EQUITY AND TURN
YOUR PROPERTY VALUE INTO SOMETHING THAT WORKS FOR YOU NOW WHILE RATES ARE
LOW. THINK OF ALL THE POSSIBILITIES...

- HOME IMPROVEMENT
- EDUCATION
- FINANCIAL CONSOLIDATION
- DREAM VACATION



HOTEL & TRAVEL INDUSTRY
FEDERAL CREDIT UNION

FOR MORE INFORMATION PLEASE CALL LOAN DEPARTMENT AT 942-5115 EXT. 230

WWW.HTIFCU.COM



Dear Home Equity Credit Line Applicant(s):

Thank you for your interest in applying for our Home Equity Credit Line. Please read and submit the following items indicated below if it applies to you. Items not submitted or incomplete applications will cause a delay in processing your application.

- ☐ Complete and Sign Home Equity Line Application Packet.

Employment Income

- ☐ If self-employed, or if income includes rental payments, substantial dividends/interest or commissioned income, please provide us with two most recent years of Federal Tax Returns, signed with all schedules.
- ☐ Copy of two (2) most recent pay stubs (equal to one month's salary) for each borrower.

Rental Income

- ☐ Copy of Rental Agreement if income includes rental.
- ☐ Copy of previous two years Personal Federal Tax Returns (including Schedule E).

Other Types of Income

- ☐ Retirement/Pension/Social Security/Dependent Benefit/Disability Income: Copy of Award Letter, or 1099, most recent bank statement, Copy of Divorce Decree if income includes alimony and/or child support payments.

Additional Required Information

- ☐ Copy of 1st Mortgage Document/Deed with Exhibit A.
- ☐ Copy of last Mortgage Statement reflecting current balance and current monthly payment amount.
- ☐ Copy of Homeowners/Fire Insurance/Flood Insurance Policy. Copy of binder or certificate (include agent contact information)
- ☐ Copy of Trust Agreement (Long or Short Form) if the property is held in trust (including all amendments.) if the property is held in trust.
- ☐ Copy Current Property Tax Assessment Card.
- ☐ Required minimum balance of \$25.00 must be in your regular share account at the time of closing your loan.

We look forward to helping you open your Home Equity Credit Line. If you need further assistance or information, please call 942-5115 extension 230.

Sincerely,
Hotel & Travel Industry FCU

Home Equity Loan Application

<input type="checkbox"/> Second Mortgage	<input type="checkbox"/> Home Equity Line of Credit	<input type="checkbox"/> Fixed Rate	<input type="checkbox"/> Variable Rate
Loan Purpose:		Property street address:	
Requested Loan Amount: \$		Estimated Value: \$	

Applicant (please print)				Co-applicant (please print)			
First Name		Initial	Last Name	First Name		Initial	Last Name
Marital Status:	<input type="checkbox"/> Married	<input type="checkbox"/> Unmarried	<input type="checkbox"/> Separated	Marital Status:	<input type="checkbox"/> Married	<input type="checkbox"/> Unmarried	<input type="checkbox"/> Separated
Mailing Address:			Time at address:	Mailing Address:			Time at address:
City		State		City		State	
Zip code				Zip code			
Physical Address (if different than mailing address)			E-mail address	Physical Address (if different than mailing address)			E-mail address
Home telephone:		Work telephone:		Home telephone:		Work telephone:	
Cell phone:				Cell phone:			
Social Security Number		Date of Birth		Social Security Number		Date of Birth	
Current Employer		Date of Hire:	Self-Employed?	Current Employer		Date of Hire:	Self-Employed?
		Yes	No			Yes	No
Position		Gross monthly salary		Position		Gross monthly salary	
		\$				\$	
Name of nearest relative not living with you			Relationship	Address			Telephone number

Sources of additional income (rent, stock, retirement, etc.)

Income received from child support, alimony or maintenance is optional information furnished only if you desire this income to be considered in evaluating your application.

Type of other income	Monthly amount	Type of other income	Monthly amount
	\$		\$

Assets (if more space is needed, please attach a list of additional assets)

Savings/Checking accounts	Account number	Balance	Real Estate Owned	Type	Value
		\$			\$
		\$			\$
		\$			\$

Liabilities (if more space is needed, please attach a list of additional liabilities)

Rent or mortgage payment	Lender Name	Account number	Monthly amount	Balance
			\$	\$
Other loans and credit cards		Total monthly amount	Total balance owed	
		\$	\$	
Alimony/child support		To whom	Monthly amount	
			\$	

Certification and authorization

Certification: I/We certify that the information provided in this application is true and correct as of the date set forth opposite my/our signature(s) on this application and acknowledge my/our understanding that any intentional or negligent misrepresentation(s) of the information contained in this application may result in civil liability and /or criminal penalties, including, but not limited to, fine, imprisonment or both under the provisions of Title 18, United States Code, Section 1002, et. Seq. and liability for monetary damages to the Lender, its agents, successors and assigns, insurers, and any other person who may suffer any loss due to reliance upon any misrepresentation which I/we have made on this application.

Authorization to verify information: I/we hereby authorize Hotel and Travel Industry Federal Credit Union to obtain verification of my/our past and present employment earnings records, as well as bank accounts, stock holdings and any other asset balances that needed to process my/our loan application. In addition, I/we authorize Hotel and Travel Industry Federal Credit Union to order a consumer credit report and to verify other credit information, including pas and present mortgage loan or rental payment history. In is my/our intention that a photocopy of this signed form will also serve as authorization to provide Hotel and Travel Industry Federal Credit Union with the verifications requested. This information will only be used in the processing of my/our application for a loan.

Applicant's signature	Date	Co-applicant's signature	Date
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Loan Originator's Signature	Loan Originator's Name (Print)	NMLS #	Loan Originator's Phone Number
Loan Origination Company's Name HOTEL AND TRAVEL INDUSTRY FEDERAL CREDIT UNION	Loan Origination Company Identifier NMLS #800811	Loan Origination Company's Address 1914 S. KING STREET HONOLULU, HI 96826	



**IMPORTANT TERMS OF OUR HOME EQUITY LINE OF CREDIT EFFECTIVE
Date: February 1, 2021**

This disclosure contains important information about the Credit Union's Home Equity Line of Credit. Please read this disclosure carefully, and retain this copy for your records.

CANCELLATION: All of the terms disclosed below are subject to change. If any of the terms disclosed change and you decide against entering into an agreement with us, you are entitled to a refund of all fees and charges that you have paid to us or to any third party in connection with your application.

This provision does not apply to a change in the Annual Percentage Rate caused by a change in the Index Rate.

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

POSSIBLE ACTION: TERMINATION: We may terminate your line of credit and require you to pay us the entire outstanding balance in one payment and charge certain fees if:

- a) You engage in fraud or material misrepresentation in connection with the line.
- b) You have failed to meet the repayment terms.
- c) Your action or inaction has adversely affected the collateral or our rights to the collateral.

POSSIBLE ACTIONS: SUSPENSION: The Credit Union may also temporarily suspend all advances or reduce your credit line upon the occurrence of any of the following:

- a) The value of the dwelling securing this plan sufficiently declines below the appraised value.
- b) The Credit Union reasonably believes that you will be unable to fulfill the repayment obligations under the plan due to material change in your financial condition.
- c) You are in default under any of the material obligations of this Agreement.
- d) A government agency prohibits the Credit Union from imposing an interest rate it would otherwise be able to impose contractually.
- e) A government body (such as the IRS) adversely affects the priority of the Credit Union's interest through the imposition of a tax lien or other action to the extent that the value of the security interest is less than 120% of the amount of the credit line.
- f) When the ANNUAL PERCENTAGE RATE, which may be imposed on this account, reaches its maximum due to an increase or increases in the Index Rate.
- g) A government agency notifies the Credit Union that continuing to make advances under this plan may constitute unsafe and unsound practices.

POSSIBLE ACTION: CHANGES: The initial Agreement permits the Credit Union to make certain changes to the terms of the Agreement at specific times or upon the occurrence of specified events.

MINIMUM PAYMENT REQUIREMENTS: You may obtain advances for a period of five (5) years (Draw Period). During the Draw Period, payments will be due monthly. Your minimum payment will be the amount necessary to repay your account at the effective **ANNUAL PERCENTAGE RATE** over a period of 180 months since your last advance, but will never be less than \$100.00 per month. After the Draw Period ends, you will no longer be able to obtain advances and you must repay the outstanding balance (Repayment Period). The Repayment Period will depend on when you took your last advance, but in no event will exceed 20 years. Your minimum payment will be subject to changes in the **ANNUAL PERCENTAGE RATE** under the variable rate feature of this plan.

If the interest rate increases you will be required to make more payments until the end of the term. Your payment may not repay the outstanding balance by the end of the repayment period. You will then be required to make a single balloon payment at the maturity date. Unless otherwise required by applicable law, we are under no obligation to refinance the balloon payment at that time. You may be required to make payments out of other assets you own or find a lender, which may be us, willing to lend you money. If you refinance the balloon with us, you may have to pay some or all of the closing costs normally associated with a new loan. All payments will include all amounts past due and any amount by which you have exceeded your credit limit, and all other charges.

Negative Amortization: Under some circumstances your payment will not cover the finance charges (interest) that accrue and "negative amortization" will occur. Negative amortization will increase the amount that you owe and reduce the equity in your home.

PAYMENT EXAMPLE: If you made only the minimum monthly payment and took no other credit advances; it would take 180 months to pay off an advance of \$10,000 at an **ANNUAL PERCENTAGE RATE** of 3.25%. During that period, you would make 180 payments of \$70.27.

CREDIT UNION FEES AND CHARGES: To open and maintain a line of credit, you must pay the Credit Union the following fees:

Application Fee: None Points: None Annual Maintenance Fee: None

THIRD PARTY FEES AND CHARGES: You may also pay certain fees to third parties to open the account, as estimated below.

Appraisal Fees: \$150.00 - \$750.00 Credit Report Fees: \$25.00 - \$150.00 Title Fees: \$150.00 - \$1,000.00
Escrow Fees: \$100-\$500 Recording Fees: \$25.00 - \$250.00 Attorney's Fees: \$85.00 - \$125.00
Flood Determination Fees: \$22.50 Property/Hazard/ Hurricane/Flood/ (if in flood zone) Insurance must be maintained for life of loan.

MINIMUM DRAW AND BALANCE REQUIREMENTS: The minimum Line of credit limit is \$10,000.00. The minimum initial advance is \$10,000.00; the minimum subsequent advance is also \$1,000.00 You are not required to maintain an outstanding balance.

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

VARIABLE RATE FEATURE: This plan has a variable rate feature, and the **ANNUAL PERCENTAGE RATE** (corresponding to the periodic rate) and the minimum monthly 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 rate is the average of the 91 days U.S. Treasury Bill auction average, as published in the Federal Reserve Bulletin, for the calendar quarter immediately preceding the date of the change, to which a margin of 3.00% is added, and then rounded to the next highest ¼ of 1%. Rates are determined on the first day of February, May, August and November. If an advance is made on any new or existing account, the account will be subject to the rate then in effect. All accounts are subject to a rate change after the close of business on February 1st (**Annual Change Date**). If the **ANNUAL PERCENTAGE RATE** increased, the minimum payment may increase by an amount necessary to repay your balance at that **ANNUAL PERCENTAGE RATE** over a period of 180 months from the date of your last advance. Ask us for the current index value, margin, rate limitations and **ANNUAL PERCENTAGE RATE**. After you open your credit line, rate information will be provided on periodic statements that we will send you.

RATE CHANGES: The maximum **ANNUAL PERCENTAGE RATE** (Cap) that can apply will be 6.00% above the initial loan rate ("Initial Rate"), not to exceed 18.00%. The rate may not be increased more than 2.00% in any one-year period. (A one-year period begins on the Annual Change Date of February 1st, or the opening date of your account, whichever is later, and runs until the next Annual Change Date). The minimum **ANNUAL PERCENTAGE RATE** (Floor) that can apply is 3.00%.

MAXIMUM RATE AND PAYMENT EXAMPLES: If you had an outstanding balance of \$10,000, the minimum payment at the maximum **ANNUAL PERCENTAGE RATE** of 11.50 % would be \$116.82. This **ANNUAL PERCENTAGE RATE** could be reached within 36 months of opening your account.

HISTORICAL EXAMPLE: The following table shows how the **ANNUAL PERCENTAGE RATE** and the minimum monthly 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 December 31st of each year and will be the basis for the interest rate in effect on the annual change date of February 1st of the following year. The table assumes that no additional credit advances were taken, that only the minimum payments were made each month, and that the rate remained constant during the year. It does not necessary indicate how the Index or your payments will change in the future. The margin shown is one which the credit union has recently used Dotted line indicates when draw period ends.

Year	Index	Margin	Annual Percentage Rate	Minimum Monthly Payment
2004	0.92%	3.00%	6.50%**	\$87.11
2005	1.57%	3.00%	6.50%**	\$87.11
2006	3.89%	3.00%	7.00%	\$89.88
2007	3.46%	3.00%	6.50%	\$87.11
2008	0.72%	3.00%	6.50%**	\$87.11
2009	0.08%	3.00%	3.25%	\$70.27
2010	0.06%	3.00%	3.25%	\$70.27
2011	0.12%	3.00%	3.25%	\$70.27
2012	0.02%	3.00%	3.25%	\$70.27
2013	0.09%	3.00%	3.25%	\$70.27
2014	0.06%	3.00%	3.25%	\$70.27
2015	0.15%	3.00%	3.25%	\$70.27
2016	0.15%	3.00%	3.25%	\$70.27
2017	0.60%	3.00%	3.75%	\$72.73
2018	1.24%	3.00%	4.25%	\$75.23
2019	2.34%	3.00%	5.50%	\$81.71
2021	0.08%	3.00%	3.25%	\$70.27

****Reflects minimum (floor) rate**

Applicant’s Signature:_____ Date:_____

Applicant’s Signature:_____ Date:_____



TO WHOM IT MAY CONCERN:

Bank Savings and Loan, Employer, Previous Employer, Credit Bureau, Mortgage Company, Commercial Retailer, Agreement of Sale Seller, Collection Agency, ETAL.

AUTHORIZATION FORM

I/We, the undersigned, am/are presently applying for credit with Hotel and Travel Industry Federal Credit Union. As part of the application process, Hotel and Travel Industry Federal Credit Union may verify information contained in my loan application and in any other documents required in connection with the loan, either before the loan is funded or as part of the quality control program after funding.

I/We further authorize Hotel and Travel Industry Federal Credit Union to obtain a title search and other documents pertaining to the property that will serve as security for the loan.

By this letter, I/We authorize you to provide to Hotel and Travel Industry Federal Credit Union any and all information requested regarding any past, present, or future financial, employment or other dealings that I have had with you or your firm. You are authorized to provide and/or verify information such as salaries, account balances, loan ratings, payment histories, etc.

I/We also authorize Hotel and Travel Industry Federal Credit Union to reproduce this form as often as necessary to obtain the requested information; therefore, a copy of this form together with a signed or unsigned verification form carries the same authority as an originally signed authorization.

Your company, its officers and employees are held harmless by me/us for providing true and correct information.

Your prompt response to this request is appreciated since time is of the essence regarding the processing of my credit request with Hotel and Travel Industry Federal Credit Union.

Thank you,

Application's Signature

Date: _____

Application's Signature

Date: _____



DATE: _____

TO: _____

FROM: **Hotel and Travel Industry Federal Credit Union**
1914 S. King Street
HONOLULU, HI 96826

RE: **ENDORSEMENT ON POLICY**

Dear Sir/Madam:

Please include and furnish the following endorsement(s) on
Policy No. (#) _____ on real property located at:

Address: _____

and issued to _____

First/Second Mortgage clause to:
Hotel and Travel Industry Federal Credit Union
1914 S. King Street
Honolulu, HI 96826
Tel: (808) 942-5115
Fax: (808) 942-4155

Insured Signature

Date: _____

Insured Signature

Date: _____



**HOME EQUITY LINE OF CREDIT BORROWERS'S AGREEMENT AND
REQUEST FOR COPY OF APPRAISAL**

1. **I certify that:**
 - a) I am making the application solely on my own behalf.
 - b) The property is my principal residence.
2. **I agree that:**
 - a) I will tell you immediately if there is any change in my financial condition, employment, or the property.
 - b) You can verify or ask me to verify any credit or other information you receive concerning me. You can get and give credit information concerning me, both now and in the future.
 - c) I will pay your out-of-pocket expenses in processing the application, even if you reject it or I withdraw it. Expenses may include fees for an appraisal of the property, title reports, documents, etc.
3. **I understand that, if you approve the loan:**
 - a) I will have to pay for property insurance (fire, hazard, wind or hurricane) and also for flood insurance if the property is located in a special flood hazard area.
 - b) I will have to pay all the closing costs (title search, docs, and etc.) for the loan.

4. **Notice of Right to Receive Copy of Appraisal/Valuation Report.**

An appraisal report may be required on the property used as collateral for your loan and you expressly agree to pay for the cost of appraisal report.

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.

If we use an appraisal report in connection with your home equity line of credit application, you are entitled to receive a copy of the appraisal report within one week of completion but at least three business days prior to your loan closing. You will receive a copy of the appraisal report even if your application is denied or withdrawn.

While we try to provide you with the appraisal report in a timely manner, there may be times when it is not feasible. In that case, if you wish to exercise the three business day review, you must tell your loan processor at least 24 hours prior to the scheduling closing date to delay your loan closing. When you do not properly notify us, or when you execute closing documents, you will be deemed to have waived this requirement. We will still provide you with a copy of the appraisal report no later than loan closing. You will not be required to pay any additional amount to us to receive a copy of the appraisal report.

Any appraisal report used in connection with your loan application was prepared solely for our use in evaluating a request for extension of credit. The appraisal report should not be relied upon by any other person or entity. We make no express or implied representation or warranty of any kind, and we expressly disclaim any liability to any person or entity with respect to the property valuation.

5. **Information Disclosure**

I understand that Hotel and Travel Industry Federal Credit Union will share information concerning Hotel and Travel Industry Federal Credit Union's experience with my account with Hotel and Travel Industry Federal Credit Union affiliated companies, credit bureaus, and other creditors. I also understand, that in addition, Hotel and Travel Industry Federal Credit Union will share information concerning me which Hotel and Travel Industry Federal Union has received from me or a third party with Hotel and Travel Industry Federal Credit Union affiliates companies unless I object to their doing so. I understand that if I do not wish Hotel and Travel Industry Federal Credit Union to share this additional information with Hotel and Travel Industry Federal Credit Union affiliated companies, I must notify Hotel and Travel Industry Federal Credit Union in writing. I must include my name (s), address, social security number(s), and account number(s). I understand that notification must be sent to: Hotel and Travel Industry Federal Credit Union Loan Department, 1914 S. King Street, Honolulu, HI 96826.

Application's Signature

Date:

Application's Signature

Date:



Notices to Real Estate Mortgage Loan Applicant

USA PATRIOT ACT CUSTOMER IDENTIFICATION PROGRAM NOTICE

Important Information about Procedures for Opening a New Account or Applying for a Loan

To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account.

What this means to you: When you open an account, such as a new loan or deposit account, we will ask for your name, address, date of birth, and other information that will allow us to identify you. We may ask to see your driver's license or other identifying documents.

Your information will be protected as stated in our Privacy Policy.

PRIVACY POLICY

Hotel and Travel Industry Federal Credit Union is committed to protecting the privacy and confidentiality of your personal information. We collect, maintain, and use personal information about you to provide financial products and services. This policy is being provided to help you better understand Hotel and Travel Industry's practices in protecting your nonpublic personal information.

Information We Collect: We collect and use nonpublic personal information from the following sources:

1. Information you provide to us on applications or other forms, such as your social security number, assets, liabilities and income.
2. Information about your transactions with us, such as account balance, payment history, and parties to transactions.
3. Information we receive from a consumer reporting agency, such as your creditworthiness and credit history.

Information We Share: We do not disclose any nonpublic personal information about our members to anyone except as permitted by law.

Former Members: If you close your account or your account becomes inactive, we will adhere to the privacy policies and practices described in this notice.

Confidentiality and Security of Information: We restrict access to your personal information to those employees who have a business need to know that information to provide products and services to you. Our employees are bound by a code of conduct and ethics, and are educated on the importance of confidentiality and member privacy. We maintain physical, electronic, and procedural safeguards that comply with federal regulations to protect your nonpublic personal information.



FAIR CREDIT REPORTING

As part of processing your real estate mortgage loan application ("Loan Application"), Hotel And Travel Industry Federal Credit Union may request a consumer report from a consumer reporting agency for the purpose of processing your real estate loan application (15 U.S.C. SS1681). A "consumer report" means any information by a consumer reporting agency bearing a consumer's credit worthiness, credit standing, credit capacity, character, general reputation, personal characteristics, or mode of living which serves as a factor in establishing a consumer's eligibility for credit. Hotel and Travel Industry Federal Credit Union may also procure or cause to be prepared an "investigative consumer report" which may include information on your character, general reputation, personal characteristics or mode of living through interviews with person who know you. Should Hotel and Travel Industry Federal Credit Union determine that an investigative consumer report is needed to process your application, Hotel and Travel Industry Federal Credit Union will notify you within three (3) days after the investigative consumer report is requested.

If the information obtained from a consumer report causes Hotel and Travel Industry Federal Credit Union to deny or increase the charge with respect to your loan application, Hotel and Travel Industry Federal Credit Union will supply the name, address and telephone number of the consumer reporting agency which made the report. If you request information from the consumer reporting agency within thirty (30) days of being notified by Hotel and Travel Industry Federal Credit Union, the consumer reporting agency must provide to you, without charge: (1) the nature and substance of all information, other than medical information in its files at the time of Hotel and Travel Industry Federal Credit Union's request; (2) the sources of the information, except information solely acquired and used for an investigative consumer report, and (3) the recipients of the consumer report within a six-month period preceding your request. Should information from the consumer reporting agency after thirty (30) days, the agency may impose a reasonable charge for the disclosure. If Hotel and Travel Industry Federal Credit Union denies or increases the charge for your loan application because of information obtained from a source other than a consumer reporting agency, Hotel and Travel Industry Federal Credit Union must disclose the nature of the information within a reasonable time after your request. Your request must be received by Hotel and Travel Industry Federal Credit Union within sixty (60) days after learning of the denial or increase in the charge of your loan application.

FAIR AND ACCOURATE CREDIT TRANSACTION (FACT) ACT

Notice of Negative Information. We may report information about your account to credit bureaus. Late payments, missed payments, or other defaults on your account may be reflected in your credit report.

EQUAL CREDIT OPPORTUNITY

The Federal Equal Credit Opportunity Act (15 U.S.C. SS1691 et seq.) prohibits creditors from discriminating against credit applicants on the basis of race, color, religion, national origin, sex, marital status, age (provided that the applicant has the capacity to enter into a binding contract); because all or part of the applicant income derives from any public assistance program, or because the applicant has a good faith exercised any right under the Consumer Credit Protection Act. The Federal agency that administers compliance with this law concerning Hotel and Travel Industry Federal Credit Union is The Federal agency that administers compliance with this law concerning this credit union is REGION VI (PACIFIC), Regional Director, Region VI (PACIFIC) NCUA, 1230 W. Washington Street, Suite 301, Tempe, AZ 85281 (Alaska, American Samoa, California, Guam, Hawaii, Idaho, Montana, Nevada, Oregon, Washington).



FAIR LENDING ACT NOTICE

Fair Lending Act Notice based on the Housing Financial Discrimination Act of 1977.

It is illegal to discriminate in the provision of or in the availability of financial assistance because of the consideration of:

1. Trends, characteristics or conditions in the neighborhood or geographic area surrounding a housing accommodation, unless the financial institution can demonstrate in the particular case that such consideration is required to avoid an unsafe or unsound business practice; or
2. Race, color, religion, sex, marital status, national origin or ancestry.
It is illegal to consider the racial, ethnic, religious or national origin composition of a neighborhood or geographic area surrounding a housing accommodation or whether or not such composition is undergoing change or is expected to undergo change, in appraising a housing accommodation or in determining whether or not or under what terms and conditions to provide financial assistance.

These provisions govern financial assistance for the purpose of the purchase, construction, rehabilitation or refinancing of one to four unit family residences occupied by the owner and for the purpose of the home improvement of any one to four unit family residences.

If you have questions about your rights or if you wish to file a complaint, contact the management of this financial institution or: National Credit Union Administration, Office of Examination of Insurance, Alexandria, VA 22314-3428.

APPLICANT'S AUTHORIZATION AND ACKNOWLEDGEMENT

The applicant agrees to and/or acknowledges the following matters:

1. Applicant authorizes Hotel and Travel Industry Federal Credit Union to process the Loan Application and to incur expenses and fees for appraisal, credit report, and other items normally required for processing a real estate mortgage application. Applicant agrees to pay or reimburse Hotel and Travel Industry Federal Credit Union for such expenses and fees for any "rush" charges incurred to expedite the processing of Applicant's Loan Application.
2. Subject to applicable laws, all fee(s) or Deposit(s) which applicant has delivered or paid to Hotel and Travel Industry Federal Credit Union for processing of the Loan Application or for the Mortgage Loan, are not refundable.
3. Interest charges on this loan will begin on the date that Hotel and Travel Industry Federal Credit Union disburses the loan proceeds, which is the date of recordation of the loan documents evidencing this real property transaction.
4. Applicant intends to apply for ☐ Individual ☐ Joint Credit.
5. Applicant has read this document.

Applicant Signature

Date

Applicant Signature

Date



HOTEL & TRAVEL INDUSTRY FEDERAL CREDIT UNION

E-Sign Act Consumer Disclosure Consent to Electronic Records

Loan Number: _____

Applicant(s) Name: _____

Property Address: _____

By signing this disclosure, you agree to accept all applicable disclosures associated with this loan application in an electronic form, including, but not limited to, disclosures required by the Truth in Lending Act, Real Estate Settlement Procedures Act and Equal Credit Opportunity Act.

You may withdraw your consent at any time, or request paper copies of all disclosures at no cost by sending an email to hotelandtravel@htifcu.com or calling us at (808) 942-5115 ext. 230. Paper copies will be provided for certain real estate related transaction after your loan application is received.

I consent to receive the disclosures for this home equity line of credit application in an electronic form and confirm that I am able to access and print the disclosures.

Applicant Signature

Date

Applicant Signature

Date

Email Address

Email Address



Homeownership Counselor Contact Information

The counseling agencies on this list are approved by the U.S. Department of Housing and Urban Development (HUD), and they 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 to you. This list shows you several approved agencies in your area.

You can find other approved counseling agencies at the Consumer Financial Protection Bureau's (CFPB) website:

consumerfinance.gov/mortgage/help or by calling 1-855-411-CFPB (2372).

You can also access a list of nationwide HUD approved counseling intermediaries at:

http://portal.hud.gov/hudportal/HUD?src=/ohc_nint

Attached, please find a list of the Homeownership Counseling organization in Hawaii. I acknowledge receipt of the written list of Homeownership Counseling organizations:

Signature

Date:_____

Print Name:_____

Signature

Date:_____

Print Name:_____

Housing counselors near you



10 CLOSEST RESULTS TO ZIP CODE 96814

The counseling agencies on this list are approved by the U.S. Department of Housing and Urban Development (HUD), and they 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 to you. This list shows you several approved agencies in your area. You can find other approved counseling agencies at the Consumer Financial Protection Bureau's (CFPB) website: consumerfinance.gov/mortgagehelp or by calling 1-855-411-CFPB (2372). You can also access a list of nationwide HUD-approved counseling intermediaries at http://portal.hud.gov/hudportal/HUD?src=/ohc_nint

- | | | Distance |
|-------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|
| 1. | Legal Aid Society of Hawaii
924 Bethel Street Honolulu, HI 96813-4304

Website: http://www.legalaidhawaii.org

Phone: 808-536-4302

Email Address: elise.vondohlen@legalaidhawaii.org

Languages:
English

Services:
Mortgage Delinquency and Default Resolution Course Pre-purchase Counseling
 Rental Housing Counseling | 1.3 miles |
| <hr/> | | |
| 2. | Hawaiian Community Assets, Inc
200 N. Vineyard Blvd, Suite A300 Honolulu, HI 96817-3950

Website: http://www.hawaiiancommunity.net/

Phone: 808-587-7886

Email Address: info@hawaiiancommunity.net

Languages:
English, Portuguese, Spanish, Other

Services:
Mortgage Delinquency and Default Resolution Course Financial Management/
Budget Counseling Services for Homeless Counseling Non-Delinquency Post
Purchase Workshops Pre-purchase Counseling Pre-purchase Homebuyer
Education Workshops Rental Housing Counseling | 1.6 miles |
-

- | | | |
|-------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|
| 3. | Hawaii Homeownership Center
1259 Aala St Ste 201 Honolulu, HI 96817-3962

Website: http://www.hihomeownership.org

Phone: 808-523-9500

Email Address: Not available

Languages:
English

Services:
Financial Management/Budget Counseling Home Improvement and Rehabilitation Counseling Non-Delinquency Post Purchase Workshops Pre-purchase Counseling Pre-purchase Homebuyer Education Workshops | Distance
1.6 miles |
| <hr/> | | |
| 4. | Self-Help Housing Corporation of Hawaii
1427 Dillingham Blvd Suite 305
Suite 305 Honolulu, HI 96817-4875

Website: Not available

Phone: 808-842-7111

Email Address: selfhelphawaii@gmail.com

Languages:
Arabic, Cantonese, Chinese Mandarin, English, French, Russian, Other

Services:
Mortgage Delinquency and Default Resolution Course Financial Management/Budget Counseling Non-Delinquency Post Purchase Workshops Pre-purchase Counseling Pre-purchase Homebuyer Education Workshops Rental Housing Counseling | Distance
2.6 miles |
| <hr/> | | |
| 5. | Legal Aid Society of Hawaii
47-200 Waihee Rd Ste 104 Kaneohe, HI 96744-4947

Website: Not available

Phone: 800-499-4302

Email Address: Not available

Languages:
English

Services:
Mortgage Delinquency and Default Resolution Course Financial Management/Budget Counseling Fair Housing Pre-Purchase Education Workshops Home Improvement and Rehabilitation Counseling Services for Homeless Counseling Non-Delinquency Post Purchase Workshops Predatory Lending Education Workshops Pre-purchase Counseling Pre-purchase Homebuyer Education Workshops Rental Housing Counseling | Distance
11.1 miles |

- | | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|
| 6. Council for Native Hawaiian Advancement
2149 Lauwiliwili Street Suite 200 Kapolei, HI 96707-1844

Website: http://www.hawaiiancouncil.org

Phone: 808-596-8155

Email Address: info@hawaiiancouncil.org

Languages:
English, Other

Services:
Financial Management/Budget Counseling Home Improvement and Rehabilitation Counseling | Distance
15.7 miles |
| <hr/> | |
| 7. Legal Aid Society of Hawaii
85-670 Farrington Hwy Ste A Waianae, HI 96792-2407

Website: Not available

Phone: 800-499-4302

Email Address: Not available

Languages:
English

Services:
Mortgage Delinquency and Default Resolution Course Financial Management/ Budget Counseling Fair Housing Pre-Purchase Education Workshops Home Improvement and Rehabilitation Counseling Services for Homeless Counseling Non-Delinquency Post Purchase Workshops Predatory Lending Education Workshops Pre-purchase Counseling Pre-purchase Homebuyer Education Workshops Rental Housing Counseling | Distance
24.4 miles |
| <hr/> | |
| 8. Legal Aid Society of Hawaii
2287 Main St Wailuku, HI 96793-1655

Website: Not available

Phone: 800-499-4302

Email Address: Not available

Languages:
English

Services:
Mortgage Delinquency and Default Resolution Course Fair Housing Pre-Purchase Education Workshops Home Improvement and Rehabilitation Counseling Services for Homeless Counseling Non-Delinquency Post Purchase Workshops Predatory Lending Education Workshops Pre-purchase Counseling Pre-purchase Homebuyer Education Workshops Rental Housing Counseling | Distance
91 miles |

9. **Hawaiian Community Assets, Inc. - Wailuku Branch**
655 Kaumualii Street, #3 Wailuku, HI 96793-1335
Distance
91.5 miles
Website: <http://www.hawaiiancommunity.net>
Phone: 808-760-5100
Email Address: info@hawaiiancommunity.net
Languages:
English
Services:
Mortgage Delinquency and Default Resolution Course | Financial Management/
Budget Counseling | Services for Homeless Counseling | Non-Delinquency Post
Purchase Workshops | Pre-purchase Counseling | Pre-purchase Homebuyer
Education Workshops | Rental Housing Counseling
-
10. **Hale Mahaolu Homeownership/Housing Counseling**
200 Hina Ave Kahului, HI 96732-1821
Distance
93 miles
Website: <http://www.halemahaolu.org>
Phone: 808-242-7027
Email Address: mtanji@halemahaolu.org
Languages:
English
Services:
Mortgage Delinquency and Default Resolution Course | Financial Management/
Budget Counseling | Fair Housing Pre-Purchase Education Workshops | Non-
Delinquency Post Purchase Workshops | Predatory Lending Education Workshops
| Pre-purchase Counseling | Pre-purchase Homebuyer Education Workshops |
Rental Housing Counseling
-

What you should know about home equity lines of credit



Consumer Financial
Protection Bureau

January 2014

This booklet was initially prepared by the Board of Governors of the Federal Reserve System. The Consumer Financial Protection Bureau (CFPB) has made technical updates to the booklet to reflect new mortgage rules under Title XIV of the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act). A larger update of this booklet is planned in the future to reflect other changes under the Dodd-Frank Act and to align with other CFPB resources and tools for consumers as part of the CFPB's broader mission to educate consumers. Consumers are encouraged to 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.

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1. Introduction

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.

1.1 Home equity plan checklist

Ask your lender to help you fill out this worksheet.

Basic features for comparison	Plan A	Plan B
Fixed annual percentage rate	%	%
Variable annual percentage rate	%	%
<input type="checkbox"/> Index used and current value	%	%
<input type="checkbox"/> Amount of margin		
<input type="checkbox"/> Frequency of rate adjustments		
<input type="checkbox"/> Amount/length of discount (if any)		
<input type="checkbox"/> Interest rate cap and floor		
Length of plan		
Draw period		

Basic features for comparison (continued)	Plan A	Plan B
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?		

2. 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.

2.1 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.

2.1.1 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.

2.2 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.

2.3 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.

2.4 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.

In 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.

2.4.1 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 nor 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.

2.5 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 it. You may be able to provide additional information 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/askcfpb/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.

APPENDIX A:

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.

DEFINED TERM	
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. <i>Periodic adjustment caps</i> limit the interest-rate increase from one adjustment period to the next. <i>Lifetime caps</i> 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/f/201204_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 transaction 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.

APPENDIX B:

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/askcfpb. 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.

APPENDIX C:

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.

Regulatory agency	Regulated entities	Contact information
Consumer Financial Protection Bureau (CFPB) P.O. Box 4503 Iowa City, IA 52244	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	(855) 411-CFPB (2372) consumerfinance.gov consumerfinance.gov/complaint
Board of Governors of the Federal Reserve System (FRB) Consumer Help P.O. Box 1200 Minneapolis, MN 55480	Federally insured state-chartered bank members of the Federal Reserve System	(888) 851-1920 federalreserveconsumerhelp.gov

Regulatory agency	Regulated entities	Contact information
Office of the Comptroller of the Currency (OCC) Customer Assistance Group 1301 McKinney Street Suite 3450 Houston, TX 77010	National banks and federally chartered savings banks/associations	(800) 613-6743 occ.treas.gov helpwithmybank.gov
Federal Deposit Insurance Corporation (FDIC) Consumer Response Center 1100 Walnut Street, Box #11 Kansas City, MO 64106	Federally insured state-chartered banks that are not members of the Federal Reserve System	(877) ASK-FDIC or (877) 275-3342 fdic.gov fdic.gov/consumers
Federal Housing Finance Agency (FHFA) Consumer Communications Constitution Center 400 7th Street, S.W. Washington, DC 20024	Fannie Mae, Freddie Mac, and the Federal Home Loan Banks	Consumer Helpline (202) 649-3811 fhfa.gov fhfa.gov/Default.aspx?Page=369 ConsumerHelp@fhfa.gov
National Credit Union Administration (NCUA) Consumer Assistance 1775 Duke Street Alexandria, VA 22314	Federally chartered credit unions	(800) 755-1030 ncua.gov mycreditunion.gov
Federal Trade Commission (FTC) Consumer Response Center 600 Pennsylvania Ave, N.W. Washington, DC 20580	Finance companies, retail stores, auto dealers, mortgage companies and other lenders, and credit bureaus	(877) FTC-HELP or (877) 382-4357 ftc.gov ftc.gov/bcp

Regulatory agency	Regulated entities	Contact information
Securities and Exchange Commission (SEC) Complaint Center 100 F Street, N.E. Washington, DC 20549	Brokerage firms, mutual fund companies, and investment advisers	(202) 551-6551 sec.gov sec.gov/complaint/select.shtml
Farm Credit Administration Office of Congressional and Public Affairs 1501 Farm Credit Drive McLean, VA 22102	Agricultural lenders	(703) 883-4056 fca.gov
Small Business Administration (SBA) Consumer Affairs 409 3 rd Street, S.W. Washington, DC 20416	Small business lenders	(800) U-ASK-SBA or (800) 827-5722 sba.gov
Commodity Futures Trading Commission (CFTC) 1155 21 st Street, N.W. Washington, DC 20581	Commodity brokers, commodity trading advisers, commodity pools, and introducing brokers	(866) 366-2382 cftc.gov/ConsumerProtection/index.htm

Regulatory agency	Regulated entities	Contact information
U.S. Department of Justice (DOJ) Civil Rights Division 950 Pennsylvania Ave, N.W. Housing and Civil Enforcement Section Washington DC 20530	Fair lending and housing issues	(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
Department of Housing and Urban Development (HUD) Office of Fair Housing/Equal Opportunity 451 7 th Street, S.W. Washington, DC 20410	Fair lending and housing issues	(800) 669-9777 hud.gov/complaints

Initial: _____ Date: _____

Initial: _____ Date: _____