

PROGRAM DISCLOSURE FIVE-YEAR ADJUSTABLE RATE MORTGAGE

This disclosure describes the features of the Adjustable Rate Mortgage (ARM) program you are considering.

This loan program has an adjustable rate feature. This means that your interest rate and principal and interest payment amount can change. The payments shown below do not include amounts for taxes and insurance premiums. Your actual payment obligation will be greater.

HOW YOUR INTEREST RATE AND PAYMENTS ARE DETERMINED

- Your interest rate will be based on an index plus a margin.
- Your payment will be based on the interest rate, loan balance, and remaining loan term.
 - The interest rate will be based on the weekly average yield on United States Treasury securities adjusted to a constant maturity of five years (your index), plus our margin, rounded up to the nearest one-eighth of one percentage point. Ask us for our current interest rate and margin.
 - Information about the index is published weekly in the WALL STREET JOURNAL.
- The initial interest rate is not based on the index used to make later adjustments. Ask us for the current margin value and initial interest rate.

HOW YOUR INTEREST RATE CAN CHANGE

- Your interest rate will not change for the first 60 months of your loan.
 - After the first 60 months, your interest rate can change every 5 years.
- Each date on which your interest rate can change is called a "Change Date" and will be described in your loan documents.
- On each Change Date, your interest rate will equal the index plus the margin, rounded up or down to the nearest 0.125%, unless your interest "caps" or "floors" (described below) limit the amount of change in the interest rate.
- Your interest rate cannot increase or decrease more than 6.0 percentage points over the term of your loan.
- On the first Change Date, and every Change Date thereafter, your interest rate cannot increase or decrease more than 2.0 percentage points.
 - Your minimum interest rate is based upon the original Loan-to-Value (LTV) of your mortgage loan.
 - Your minimum interest rate is LTV 80% or less 2.75% LTV 80.1-90% 3.25%
LTV 90.1 – 100% 3.75% LTV 100.1-110% 4.75%

HOW YOUR PAYMENT CAN CHANGE

- Following the initial 60 months of your loan, your monthly payment can increase or decrease substantially every 60 months based on changes in the interest rate.
- Your new payment will be due beginning with the first payment due date after the Change Date on which the related interest rate change occurred and will be your payment until the first payment due date after the next Change Date.
- You will be notified at least 210, but no more than 240, days before the first payment at the adjusted level is due after the initial interest rate adjustment of the loan. This notice will contain estimated information about the adjustment, including the interest rate, payment amount, and loan balance.
- You will be notified in writing at least 60, but no more than 120, days before the first payment at the adjusted level is due after any interest rate adjustment resulting in a corresponding payment change. This notice will contain information about the adjustment, including the interest rate, payment amount (principal, interest, and escrow deposit), and loan balance.

PAYMENT EXAMPLES

For a Loan-To-Value of 80% or less:

- On a \$10,000.00 5-year loan with an initial interest rate of 2.95% in effect in March 2021, and a margin of 1.5 percentage points, the maximum amount that the interest rate can rise under this program is 0.0 percentage points to 2.95%, and the monthly principal and interest payment can rise from a first-year amount of \$179.46 to a maximum of \$179.72 final payment. To determine what your principal and interest payments would be, divide your mortgage amount by \$10,000; then multiply the monthly payment by that amount. (For example, the monthly payment for a mortgage of \$60,000 would be \$60,000 divided by \$10,000 = 6; 6 X \$179.46 = \$1076.76 per month).
- On a \$10,000.00 15-year loan with an initial interest rate of 2.95% in effect in March 2021, and a margin of 1.5 percentage points, the maximum amount that the interest rate can rise under this program is 4.0 percentage points to 6.95%, and the monthly principal and interest payment can rise from a first-year amount of \$68.82 to a maximum of \$79.32 in the 11th year. To determine what your principal and interest payments would be, divide your mortgage amount by \$10,000; then multiply the monthly payment by that amount. (For example, the monthly payment for a mortgage of \$60,000 would be \$60,000 divided by \$10,000 = 6; 6 X \$68.82 = \$412.92 per month).
- On a \$10,000.00 30-year loan with an initial interest rate of 2.95% in effect in March 2021, and a margin of 1.5 percentage points, the maximum amount that the interest rate can rise under this program is 6.0 percentage points to 8.95%, and the monthly principal and interest payment can rise from a first-year amount of \$41.89 to a maximum of \$68.52 in the 16th year. To determine what your principal and interest payments would be, divide your mortgage amount by \$10,000; then multiply the monthly payment by that amount. (For example, the monthly payment for a mortgage of \$60,000 would be \$60,000 divided by \$10,000 = 6; 6 X \$41.89 = \$251.34 per month).

For a Loan-to-Value of 80.1% to 90%:

- On a \$10,000.00 5-year loan with an initial interest rate of 3.25% in effect in March 2021, and a margin of 2.0 percentage points, the maximum amount that the interest rate can rise under this program is 0.0 percentage points to 3.25%, and the monthly principal and interest payment can rise from a first-year amount of \$180.80 to a maximum of \$180.80 final payment. To determine what your principal and interest payments would be, divide your mortgage amount by \$10,000; then multiply the monthly payment by that amount. (For example, the monthly payment for a mortgage of \$60,000 would be \$60,000 divided by \$10,000 = 6; 6 X \$180.80 = \$1084.80 per month).
- On a \$10,000.00 15-year loan with an initial interest rate of 3.25% in effect in March 2021, and a margin of 2.0 percentage points, the maximum amount that the interest rate can rise under this program is 4.0 percentage points to 7.25%, and the monthly principal and interest payment can rise from a first-year amount of \$70.27 to a maximum of \$80.94 in the 11th year. To determine what your principal and interest payments would be, divide your mortgage amount by \$10,000; then multiply the monthly payment by that amount. (For example, the monthly payment for a mortgage of \$60,000 would be \$60,000 divided by \$10,000 = 6; 6 X \$70.27 = \$421.62 per month).
- On a \$10,000.00 30-year loan with an initial interest rate of 3.25% in effect in March 2021, and a margin of 2.0 percentage points, the maximum amount that the interest rate can rise under this program is 6.0 percentage points to 9.25%, and the monthly principal and interest can rise from a first-year amount of \$43.52 to a maximum of \$70.77 in the 16th year. To determine what your principal and interest payments would be, divide your mortgage amount by \$10,000; then multiply the monthly payment by that amount. (For example, the monthly payment for a mortgage of \$60,000 would be \$60,000 divided by \$10,000 = 6; 6 X \$43.52 = \$261.12 per month).

For a Loan-to-Value of 90.1% to 100%:

- On a \$10,000.00 5-year loan with an initial interest rate of 3.75% in effect in March 2021, and a margin of 2.5 percentage points, the maximum amount that the interest rate can rise under this program is 0.0 percentage points to 3.75%, and the monthly principal and interest payment can rise from a first-year amount of \$183.04 to a maximum of \$182.99 final payment. To determine what your principal and interest payments would be, divide your mortgage amount by \$10,000; then multiply the monthly payment by that amount. (For example, the monthly payment for a mortgage of \$60,000 would be \$60,000 divided by \$10,000 = 6; 6 X \$183.04 = \$1098.24 per month).

