# ARM PROGRAM DISCLOSURE

This disclosure describes the features of the adjustable-rate mortgage (ARM) program you are considering. Information on other ARM programs is available upon request.

## 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 loan term.
  - The interest rate will be based on: the Weekly average Yield on United States Treasury Securities adjusted to a constant maturity of 3 years, as made available by the Federal Reserve Board.

    (your index), plus our margin. Ask for our current interest rate and margin.
  - Information about the index rate can be found: Federal Reserve Statistical Release H-15 (https://www.federalreserve.gov/datadownload/Choose.aspx?rel= H15)

☒ The initial interest rate is not based on the index used to make later adjustments. Ask us for the amount of current interest rate discounts.

## HOW YOUR INTEREST RATE CAN CHANGE

- Your interest rate will not change for the first 36 months of your loan.
- After the first 36 months, your interest rate can change every 36 months.
- 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 ☐ down ☒ up or down to the nearest 0.125 %, unless your interest rate "caps" or "floors" (described below) limit the amount of change in the interest rate.
- Your interest rate cannot increase more than 6.000 percentage points above the initial interest rate over the term of the loan.
- Your interest rate cannot decrease more than 3.000 percentage points below the initial interest rate over the term of the loan.
- On the **first** Change Date, your interest rate cannot increase more than 2.000 percentage points above, or decrease more than 2.000 percentage points below the initial interest rate.
- On the second Change Date and every Change Date thereafter, your interest rate cannot increase or decrease more than 2.000 percentage points.

## HOW YOUR PAYMENT CAN CHANGE

- Following the initial 36 months of your loan, your monthly payment can increase or decrease substantially every 36 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.
- For example, on a $10,000, 30 -year loan with an initial interest rate of 5.875 % (in effect on July 31, 2025 ), the maximum amount that the interest rate can rise under this program is 6.000 percentage points, to 11.875 % and the monthly payment can rise from a first-year payment of $ 59.15 to a maximum of $ 96.34 in the 10th year. To see what your 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 amount of $60,000 would be: $60,000 ÷ $10,000 = 6; 6 x $59.15 = $ 354.90 per month.)

- You will be notified at least 210 , but no more than 240 days, before first payment at the adjusted level is due after the initial interest rate adjustment of the loan. This notice will contain information about the adjustment, including the interest rate, payment amount, and loan balance.
- You will be notified in writing at least 60 , but not more than 120 days, before 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, and loan balance.

## OTHER INFORMATION

- This obligation ☐ does ☒ does not have a demand feature.

I/We have read this disclosure form, and understand its contents, as evidenced by my/our signature(s) below. THIS IS NEITHER A CONTRACT NOR A COMMITMENT TO LEND.

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Applicant Date