

**FIRST ATLANTIC FEDERAL CREDIT UNION
HOME EQUITY LINE OF CREDIT APPLICATION
VARIABLE RATE PLAN PROGRAM DISCLOSURE**

If you made only the minimum monthly payments, took no other credit advances and incurred no interest rate changes, it would take 15 years to pay off a credit advance of \$10,000 at an ANNUAL PERCENTAGE RATE OF 3.99%. During that period, you would make 180 payments of \$73.92.

The ANNUAL PERCENTAGE RATE can change monthly on the 1st of each month based on changes in the prime rate as published in the Wall Street Journal as of the 25th of the previous month. The interest rate will be as low as the prime rate plus .74%. Ask us for the amount of the current interest rate and margin. The maximum ANNUAL PERCENTAGE RATE that can apply is 18%. Except for this 18% ‘cap’ there is no limit on the amount by which the rate can change every month.

If you had an outstanding balance of \$10,000 during the draw period, the minimum monthly payment at the interest rate of 3.99%, in effect January 2011 is \$73.92. The maximum amount that the interest rate can rise under this program is 14.01% to 18%, and the monthly payment can rise from an initial payment of \$73.92 to a maximum of \$161.04. This ANNUAL PERCENTAGE RATE could be reached the second month.

YEAR AS OF FIRST WEEK ENDING	INDEX %	MARGIN POINTS %	INTEREST RATE %	MONTHLY PAYMENT (\$)	REMAINING BALANCE (\$)
1997	8.25	.74*	8.99	101.43	9669.43
1998	8.5	.74*	9.24	102.84	9314.99
1999	7.75	.74*	8.49	98.85	8904.83
2000	8.5	.74*	9.24	102.60	8479.60
2001	9.5	.74*	10.24	107.37	8040.05
2002	4.75	.74*	5.49	87.26	7419.65
2003	4.25	.74*	4.99	85.45	6750.02
2004	5.00	.74*	5.74	87.89	6065.62
2005	5.25	.74*	5.99	88.61	5346.68
2006	7.25	.74*	7.99	93.75	4623.27
2007	7.25	.74*	7.99	93.74	3839.94
2008	7.25	.74*	7.99	93.74	2991.60
2009	3.25	.74*	3.99	88.32	2033.99
2010	3.25	.74*	3.99	88.32	1037.25
2011	3.25	.74*	3.99	88.32	.02

*This is a margin we have used recently; yours may be different

To see what your payments would have been during that period, divide your mortgage amount by \$10,000; then multiply the monthly payments by that amount. (For example, in 2011 the monthly payment for a mortgage amount of \$60,000 taken out in 1997 would be \$60,000 divided by \$10,000 = 6 X 101.43 = \$608.58.