

**GUIDELINES for HOME EQUITY LOANS**

<u>Maximum loan amount for qualified borrowers</u> 80%** of Market Value of home less the balance due on 1 <sup>st</sup> mortgage, up to a maximum of \$100,000 [Minimum loan amount is \$10,000]	<u>Terms &amp; Interest Rates:</u> 5 years 2.99% (Base Rate*) 7 years 3.24% (Base Rate*) 10 years 3.74% (Base Rate*) 15 years 3.99% (Base Rate*)
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\* Base Rate – This rate represents the Credit Union current rate for this type of loan. The Credit Union uses a Risk Based Loan Pricing model, so individual rates and terms may vary depending on the credit worthiness of the Applicant. Members with an excellent Risk Based score will receive a discount off the base rate. Members with past credit issues who qualify for a loan may pay a higher rate than the base rate.

\*\* 70% of Market Value of home less the balance due on 1<sup>st</sup> Mortgage, for qualifying members with a lower Risk Based score.

1. Applicant(s) for a loan must be a member of the credit union. Applicant(s)/Cosigner must be 18 years of age and employed with their current employer for at least 3 months, or have been employed with previous employer for at least 3 consecutive years. Application for the loan must be completed in its entirety. ALL LOAN APPLICANT(S)/COSIGNERS MUST SUBMIT EITHER THEIR LAST 2 PAYSTUBS FOR VERIFICATION OF INCOME or permit the credit union to acquire a salary history from their employer. If a salary history is chosen, the amount of time for loan processing will not be guaranteed. [Verification of income is required for co-applicants/cosigners on a loan] Any other sources of income: Part-time job, Pension payments, Social Security benefits, Child support, etc., must also be verified by submitting acceptable documentation of the other source of income.

\*\* ANY APPLICANT NEEDING ASSISTANCE IN COMPLETING THE LOAN APPLICATION, PLEASE CONTACT THE CREDIT UNION \*\*

The home to be used as collateral for the Home Equity loan MUST be OWNER occupied and in the state of Pennsylvania. The Allegheny Health Services Employees F.C.U. must be 1<sup>st</sup> or 2<sup>nd</sup> lien holder on the property. A description and location of the property, including county, is required with the application along with tax receipts or other appropriate documentation of tax payments. Refinancing of an existing credit union Home Equity loan IS NOT permitted unless new monies are being requested to be added to an existing Home Equity loan.

2. The amount a member can borrow depends on the individual circumstances of the applicant. Applicant(s) or Cosigners must qualify based on their CREDIT HISTORY and DEBT RATIO. All loan applications are subject to disapproval if the applicant(s)/cosigners does not qualify based on their CREDIT HISTORY, and/or if the applicant(s)/cosigners Debt Ratio exceeds the allowable Debt ratio of 40% [if the applicant has a 1<sup>st</sup> Mortgage payment] , or 30% if the applicant does not have a first mortgage. *PAYROLL DEDUCTIONS FOR LOAN PAYMENTS DOES NOT GUARANTEE LOAN APPROVAL*
3. Upon credit approval, the applicant will be responsible for paying an Application fee of \$385.00, in order to continue the processing of the application. Please see the back of this page for a full description of the Home Equity fees. Loans will also be subject to the inclusion of a "Mortgage Recording Fee" which will be added into the loan amount at the Closing and Distribution of the loan, or, can be paid by the borrower. In addition, loans will also be subject to the inclusion of a "Satisfaction Recording Fee" at the time of payoff of the loan to the applicable municipality in which the property resides. {Mortgage Recording Fees and Satisfaction Recording Fees vary by municipality and are subject to change by the municipality}

**The "Home Equity Loan Fee" page must be signed and returned with your Home Equity loan application.**

4. Minimum monthly payments are established on all loans. A borrower may elect to pay more than the minimum payment. Loans paid off within the first 36 months of the loan may be subject to an early payoff fee as determined by the credit union.
5. On initial loan applications, a credit check fee of \$5.00 will be charged to all applicants. There is no charge on subsequent loan applications. However, any member whose loan application is rejected and who also had a loan application rejected within the previous 90 days, will be charged a rejected loan application fee of \$5.00.

**CREDIT UNION HOURS: M, T, Th 8am – 4pm, Fri 7am – 4pm (Closed Wednesdays)**

**WEBSITE: [www.ahsfcu.com](http://www.ahsfcu.com)**

**EMAIL: [credituniongroup@ahn.org](mailto:credituniongroup@ahn.org)**

**PHONE # (412) 359 – 3141**

**FAX # (412) 359 – 3587**

**Located on Ground Floor [01 Level – South Tower] of ALLEGHENY GENERAL HOSPITAL**

**PLEASE SEE THE BACK FOR "HOME EQUITY LOAN FEES" DESCRIPTION AND SIGNATURE PAGE**

**THE BACK PAGE MUST BE SIGNED & RETURNED WITH YOUR LOAN APPLICATION**

# **HOME EQUITY LOAN FEES**

NMLS# 1028565

Upon credit approval, the borrower is responsible for paying an Application fee of \$385.00. The Application fee must be paid upon credit approval of the loan application before the loan processing can be continued. The Application fee is non-refundable.

The Application fee covers the cost of the title search of the property, flood and census tract reports, and determination of the market value of the property, so that the available equity of the property can be calculated to determine the amount that can be borrowed. A full URAR appraisal (inside appraisal) may be requested by the applicant to determine the market value of the property, but the applicant will be responsible for the additional cost of the URAR appraisal. If it is determined during the title search of the property that Title Insurance is required, the cost of the Title Insurance will be the responsibility of the applicant. [The cost of the Title Insurance is dependent upon the amount borrowed and the rates are set by the state of Pennsylvania.

If upon completion of the determination of the market value of the home, it is determined that there is not enough available equity in the home for the loan amount requested, the applicant is still responsible for payment of the Application fee. The Application fee is non-refundable.

The home to be used as collateral for the Home Equity loan MUST be OWNER occupied and in the state of Pennsylvania and the Allegheny Health Services Employees F.C.U. must be 1<sup>st</sup> or 2<sup>nd</sup> lien holder on the property when the lien is recorded on the deed. If it is discovered during the title search that there already exists a 1<sup>st</sup> and 2<sup>nd</sup> lienholder on the property, one of the two lienholders must be paid off so that the Allegheny Health Services Employees F.C.U. can be recorded as either 1<sup>st</sup> or 2<sup>nd</sup> lienholder. If neither the 1<sup>st</sup> or 2<sup>nd</sup> existing lienholder will be paid off prior to or as a result of this Home Equity loan, the Home Equity loan cannot be processed, and the Application fee is non-refundable.

Loans will also be subject to the inclusion of a "Mortgage Recording Fee" which will be added into the loan amount at the Closing and Distribution of the loan, or, can be paid by the borrower. In addition, loans will also be subject to the inclusion of a "Satisfaction Recording Fee" at the time of payoff of the loan to the applicable municipality in which the property resides. {Mortgage Recording Fees and Satisfaction Recording Fees vary by municipality and are subject to change by the municipality}

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I understand that I am responsible for payment of the Application fee of \$385.00 even if it is determined that there is not enough available equity in my home, or if I choose to cancel the loan after the title search or market value determination has been done, or if neither the 1<sup>st</sup> or 2<sup>nd</sup> existing lienholder will be paid off prior to or as a result of this Home Equity loan. I also understand loans are subject to the inclusion of a "Mortgage Recording Fee" which will be added into the loan amount at the Closing and Distribution of the loan; and also subject to a "Satisfaction Recording Fee" at the time of payoff of the loan to the applicable municipality in which the property resides.

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DATE

\_\_\_\_\_  
MEMBER SIGNATURE

**THIS PAGE MUST BE SIGNED AND RETURNED WITH YOUR HOME EQUITY LOAN APPLICATION**