

Loan Level Price Adjustment Disclosure

Price Adjustments (PA) are assessed by Fannie Mae and Freddie Mac based upon certain loan criteria, including but not limited to credit scores, loan purpose, occupancy, number of units, product type, etc. A PA is assessed according to standard guidelines and are calculated based on the loan amount. This disclosure is to inform you that a PA may be assessed based on certain features of your loan application. If a PA is assessed, you will have the option to pay the fee in one lump sum at closing, or increase the interest rate to cover the fee. PA fees are in addition to standard closing costs and/or prepaid fees.

You will be apprised of the PA upon receipt of the Tri-Merged credit report, Automated Underwriting Findings Report, and the appraisal. A Bank representative will contact you as soon as these items are received to discuss the applicable PA, if any. You will have the opportunity at that time to accept said fee(s), change the loan amount or cancel the loan application.

Below is a list of the features that could cause a PA to apply to your loan:

**Property Type:** Required if you are financing:

* 2-4 family unit property
* Condo
* Manufactured Home
* Second Home
* 1-4 family unit Investment Property

**Credit Scores, Loan-to-Value Ratio, and Type of Transaction:** The PA is based on:

* The representative credit score
* Loan-to-Value ratio
* Type of transaction, i.e., purchase, cash-out refinance, or non-cash-out refinance

**Subordinate Financing:** Required if your new loan will have a subordinate lien, i.e., Home Equity Line of Credit, in place at closing.