# ARM PROGRAM INFORMATIONAL DISCLOSURE (3/3 and 5/5 ARMs)

This disclosure describes the features of an adjustable-rate mortgage (ARM) program as they relate to a 3/3 ARM and a 5/5 ARM. Information on other ARM programs is available upon request. This document is informational only and provided should your originator discuss an ARM program with you. You will receive an ARM Program Disclosure requiring your signature acknowledgement should you have agreed to float or lock an ARM Program.

## 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 the loan term.

| | **3/3 ARM and 5/5 ARM** |
|---|---|
| The interest rate will be based on: | The **Weekly Average Yield** on **United States Treasury Securities** adjusted to a constant maturity of ***3 years for the 3/3 ARM and 5 years for the 5/5 ARM***, as made available by the Federal Reserve Board (your index), plus your margin. Ask us for our current interest rate and margin. |
| Information about the index rate can be found: | Federal Reserve Statistical Release H-15 (www.federalreserve.gov/releases/h15) |

☑ Your interest rate is not based on the index used to make later adjustments. Ask us for the current amount of our adjustable-rate mortgage discounts and premiums.

## HOW YOUR INTEREST RATE CAN CHANGE

- Your interest rate will be based on an index plus a margin.
- Your payment will be based on the interest rate, loan balance and the loan term.

| | **3/3 ARM** | **5/5 ARM** |
|---|---|---|
| Your interest rate can change: | After **36 months** and every **36 months** thereafter | After **60 months** and every **60 months** thereafter |

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 0.125%, unless your interest rate "caps" or "floors" (described below) limit the change in the interest rate.

| | **3/3 ARM and 5/5/ ARM** |
|---|---|
| Over the term of your loan, the interest rate cannot **increase** more than… | 6.000% above the initial interest rate |
| Over the life of your loan, the interest rate cannot **decrease** below the floor rate… | Floor rate 2.750% |
| On the first **Change Date**, your interest rate cannot increase or decrease by more than… | 2.000% |
| On the second Change Date and every Change Date thereafter, your interest rate cannot increase or decrease more than… | 2.000% |

# ARM PROGRAM INFORMATIONAL DISCLOSURE (3/3 and 5/5 ARMs)

## HOW YOUR PAYMENT CAN CHANGE

- Your payments can change each time the interest rate changes and can increase or decrease substantially based on the 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 you payment until the first payment due date after the Change Date.
- You will be notified in writing at least 210 days, but not more than 240 days, before the due date of your first payment at a new level. You will be notified at least 60 days, but no more than 120 days, of any subsequent payment changes. This notice will contain information about the index and interest rate, payment amount and loan balance.

## Examples of Maximum Interest Rate Increase

The following examples provide a loan in the amount of $10,000 with a 30-year term.

| | **3/3 ARM** | **5/5 ARM** |
|---|---|---|
| Initial Interest Rate and Effective Date | 5.625%<br>in effect June 23, 2025 | 5.875%<br>in effect June 23, 2025 |
| Maximum Interest Rate | 11.625%<br>(5.625% + 6.000%) | 11.875%<br>(5.875% + 6.000%) |
| First Year Payment | $57.57 | $59.15 |
| Maximum Payment | $94.00<br>in the 10th year | $92.00<br>in the 16th year |

**Note**: To see what you payments would be, divide your mortgage amount by $10,000; then multiply the monthly payment by that amount.

| | **3/3 ARM** | **5/5 ARM** |
|---|---|---|
| For example, the monthly payment for a mortgage amount of $60,000 would be **$60,000\$10,000=6:** | 6 x $57.57 = **$345.42** per month | 6 x $59.15 = **$354.90** per month |

**OTHER INFORMATION**

These obligations do not have a demand feature.