



To: Real Estate Applicant

HFS Federal Credit Union would like to thank you in advance for completing the attached Uniform Residential Loan Application. We strive to meet and exceed our member's financial goals and will work with you closely as you move through the Real Estate loan process. The application attached is designed to gather the majority of information we need to process your Real Estate needs. If you have any questions as you are completing the application please don't hesitate to contact us at 930-1436 or 930-1437. Remember we are here to help, and will walk you through each step. The completed application may be turned into any of our six branch locations and we will contact you within three (3) business days with a preliminary decision. If we are in need of further information or have questions about your application you will be notified as soon as possible.

Thank you again for taking the time to complete the attached application. It is our pleasure to help you make your Real Estate Loan process both easy and rewarding. We look forward to working with you in the near future.

Sincerely,

A handwritten signature in black ink that reads "Lola L. Wakida". The signature is written in a cursive, flowing style.

Lola L. Wakida  
Assistant Loan Manager

# REAL ESTATE APPLICANTS

## A GUIDE TO HOME EQUITY LINES OF CREDIT

HFS Federal Credit Union is committed to providing quality financial products to its members. As your Credit Union we hope to help you achieve financial success. Included in this document you will find our Home Equity Loan requirements, terms and conditions, your responsibilities as an applicant, and documents necessary for loan processing.

### LOAN REQUIREMENTS:

1. All property(s) must be located in the State of Hawaii.
2. All loans must be granted and approved under the status of owner occupant. This means that the dwelling is or will be the borrower's principal residence.
3. Maximum line amount is \$300,000.00 for loans up to 80% LTV and \$100,000.00 for loans up to 100% LTV.

### MAXIMUM LOAN TO VALUE:

HFS Federal Credit Union uses the following guidelines when determining the amount of funds which may be borrowed on a Home Equity Line of Credit.

Type	Term	Maximum Loan to Value (As applicable)
<b>Home Equity Line of Credit (Loans up to 80% LTV)</b>  <b>Maximum credit line of \$300,000</b>	Five (5) year draw period.  Monthly payments will be computed utilizing a 20 year amortization period, but will never be less than \$100.00.	HFS will fund no more than 80% of the appraised value less the first mortgage balance, or  No more than 80% of the value determined by an Exterior-only Inspection Residential Appraisal Report for loans not exceeding \$100,000.
<b>Home Equity Line of Credit (Loans up to 100% LTV)</b>  <b>Maximum credit line of \$100,000</b>	Five (5) year draw period.  Monthly payments will be computed utilizing a 20 year amortization period, but will never be less than \$100.00.	HFS will fund no more than 100% of the appraised value less the first mortgage balance, or

**YOUR RESPONSIBILITIES AS A MEMBER:**

Member will be required to make an initial deposit of \$800.00 to defray initial expenses.

Member must submit a completed application (applications may be submitted online at [www.hfsfcu.org](http://www.hfsfcu.org)) and must provide the following documentation.

**DOCUMENTS NECESSARY TO PROCESS LOAN:**

Type of Loan	Documents Needed	Additional Notes
Improved Property	<ol style="list-style-type: none"><li>1. Copy of tax assessment</li><li>2. Copy of deed</li><li>3. Employment Verification</li><li>4. Deposit(s) Verification (current statements)</li><li>5. Copy of current paystubs (1 month's worth)</li><li>6. Prior 2 year's signed tax return</li><li>7. Prior 2 year's W2 for each applicant</li><li>8. Proof of Homeowner Insurance*</li><li>9. Proof of Hurricane Insurance*</li><li>10. Proof of Flood Insurance (if necessary)*</li><li>11. Evidence of Road Maintenance Agreement (if necessary)</li><li>12. Proof of First Mortgage balance (current statement)</li><li>13. First Mortgage Note</li></ol>	<p>*Maximum deductibles are as follows: Homeowner Insurance: \$2,500.00 Hurricane Insurance: 2% of value Flood Insurance: \$5,000.00</p> <p>Proof of homeowner, hurricane, and flood (if necessary) Insurance, must be provided by final closing.</p>

**ADDITIONAL INFORMATION:**

- Member is required to pay for all initial expenses borne by the appraiser, credit reports, etc... In the event the line is approved and funded, the Credit Union will pay up to \$2,000 in closing costs.
- Appraisers must be licensed by the State of Hawaii and be on the approved list used by HFS FCU. No appraisal(s) will be used that are done by an appraiser not listed on the approved HFS FCU list and no appraisal(s) will be honored that are over 180 days old.

**OTHER:**

**Processing Time:** Estimated processing time is 4-6 weeks

Modified 9/5/2018