7Y/6M & 10Y/6M SOFR
ADJUSTABLE RATE LOAN DISCLOSURE

THIS DISCLOSURE DESCRIBES THE FEATURES OF THE ADJUSTABLE-RATE MORTGAGE ("ARM") PROGRAM YOU ARE CONSIDERING. INFORMATION ON OTHER ARM PROGRAMS IS AVAILABLE UPON REQUEST.

You are applying for an Adjustable Rate Mortgage (ARM) loan. This means that your interest rate and monthly payments may change during the life of your loan.

INTEREST RATE

How Your Interest Rate Is Determined

- **Interest Rate.** Your Interest Rate will be based on an Index plus a Margin.

- **Initial Interest Rate.** The Interest Rate you will pay until the first Rate Change Date is called the Initial Interest Rate. Your Initial Interest Rate is discounted and is not based on the Index used to make later adjustments. A “discount” occurs when the Initial Interest Rate is less than the sum of the Index plus Margin. Ask us for the amount our adjustable rate mortgages are currently discounted.

- **Index.** The Index is known as the 30-day Average SOFR. Information about the Index is published by the Federal Reserve Bank of New York. If at some point in the future this Index is no longer available, the Lender will use a replacement as provided in the Note.

- **Margin.** Ask us for our current Interest Rate and Margin. The Index and Margin will be specified in the promissory note (the "Note") which evidences your ARM loan.

How Your Interest Rate Can Change

- **Rate Change Date.** The date on which your Interest Rate can be adjusted is called a "Rate Change Date." Your first Rate Change Date will occur on:

  7y/6m the first day of the 85th full month after your loan closing
  10y/6m the first day of the 121st full month after your loan closing

  At the first Rate Change Date, your Initial Interest Rate will be adjusted to reflect your new Interest Rate, subject to the below Interest Rate Cap. Subsequent Rate Change Dates will occur on the first day of every 6th calendar month thereafter.

- **Interest Rate Adjustments.** Your Interest Rate is determined by adding the Margin to the then-current Index and rounding to the nearest 1/8 of 1%. The most recent Index value available as of the date 45 days before each Change Date is called the Current Index.

- **Interest Rate Caps.** On the First Rate Change Date, your Interest Rate cannot increase by more than five percentage points (5.0%) or decrease by more than five percentage points (5.0%). At any Subsequent Rate Change Date your Interest Rate will not increase or decrease by more than one percentage point (1.0%). Your Interest Rate will never be less than the Margin; and cannot increase by more than five percentage points (5.0%) over your Initial Interest Rate.

- **Rate Lock.** If you choose a rate lock option that provides for a floating rate, your Initial Interest Rate at closing may be different from the Interest Rate in effect at the time you apply for your loan. The amount of the discount may change as a result.

PAYMENT

How Your Monthly Payment Is Determined

Your payment amount is subject to change and will be based on the Interest Rate, loan balance and remaining loan term. Your initial payment will be set at an amount which will fully pay the accruing monthly interest at the Initial Interest Rate and reduce the principal so as to pay off the outstanding loan balance by the end of the loan term in equal monthly installments.

How Your Monthly Payment Can Change

After your first Rate Change Date, your monthly payment can increase or decrease substantially every six months based on changes to the Interest Rate. Your monthly payment is subject to change and will be changed to an amount that will fully pay the accruing monthly interest and reduce the principal so as to pay off the outstanding loan balance by the end of the loan term in equal monthly installments at the then- applicable Interest Rate. Your new payment amount will be due on the first monthly payment date after a Rate Change Date.

The following examples are based on a $10,000 loan with an initial interest rate used in October 2026. Column D indicates if the rate is a discounted rate. ***Ask us whether our current interest rate has a discount and if so, the amount of discount.***

A	B	C	D	E	F	G	H
ARM Product	**Loan Term**	**Initial Interest Rate**	**Discount**	**Initial monthly payment**	**The maximum the interest rate can increase is:**	**The monthly payment can increase from:**	**To see what your payment would be, divide your mortgage amount by $10,000; then multiply the amount in column E by that amount. For example:**
7y/6m ARM	30 years	4%	Discount	$47.74	9%	$47.74 for the first 7 years to $73.95 in the 8th year.	The monthly payment for a mortgage amount of $60,000 would be $60,000 ÷ $10,000 = 6, 6 X $47.74 = $286.44 per month
10y/6m ARM	30 years	4%	Discount	$47.74	9%	$47.74 for the first 10 years to $70.89 in the 11th year.	The monthly payment for a mortgage amount of $60,000 would be $60,000 ÷ $10,000 = 6, 6 X $47.74 = $286.44 per month

You will be notified in writing at least 60 but not more than 120 calendar days before each payment adjustment will be made. This notice will contain information about your Index, Interest Rate, payment amount, loan balance, and the date on which your first payment is due at the new amount. You may repay this loan in full at any time without penalty.

APPLICANT ACKNOWLEDGEMENTS

You acknowledge that you must qualify for the proposed loan. Should you not qualify, your loan will not be approved to close. This is not a commitment to lend.

You and Lender become bound to the terms of the Note and Security Instrument upon signing these documents. Although either party subsequently may request modification of the contract, neither party is bound to agree to such a request. Since the Note and Security Instrument establish your rights, you should understand and become familiar with the provisions of these documents.

After having read the contents of the above ARM Disclosure, you acknowledge receipt of a copy of this ARM Disclosure and further acknowledge that this ARM Disclosure was completed in full prior to its receipt. You also acknowledge receipt of the Consumer Handbook on Adjustable Rate Mortgages.

BORROWER:

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Date