



IMPORTANT INFORMATION REGARDING MORTGAGE LOAN PRODUCTS

This document states some basic terms of the loan products available from Chase, as well as describes some of the documents you'll be asked to sign at closing. Please read all documents provided to you; a number of important terms won't be contained here. Be sure to understand all terms of your loan, including any fees or charges that apply. Seek any professional help you need to fully understand your loan terms, such as a lawyer, accountant, tax advisor or translator, if English is not your primary language. If you have any questions about the terms of any loan, please contact your Home Loan Advisor. Within three business days after your loan application is submitted, we will send you additional disclosures which will more specifically spell out key terms, estimated closing costs and other important information about the specific loan you have chosen. **THIS DOCUMENT IS A SUMMARY ONLY, AND DOES NOT CONSTITUTE A COMMITMENT TO MAKE A LOAN.**

Side-by-Side Comparison of Chase Mortgage Loan Products:

KEY: Fixed = Fixed Rate Mortgage Loan ARM = Adjustable Rate Mortgage Loan I/O = Interest Only HELOC = Home Equity Lines of Credit	Fixed	ARM	I/O Fixed	I/O ARM	HELOC
Can my monthly principal & interest payment go up over time?	NO*	YES	YES	YES	YES
Can my interest rate go up over time?	NO*	YES	NO*	YES	YES
Can my loan balance go up, even if I make all payments in full and on time?	NO	NO	NO	NO	NO
Will any scheduled payment exceed the normal monthly payment?	NO	NO	NO	NO	NO
Will my normal payment cover only interest at any point during the loan?	NO	NO	YES	YES	YES
Will my normal payment include funds for insurance, taxes and other costs?	YES**	YES**	YES**	YES**	NO
Will I have to pay a fee if I pay off the loan in full ahead of schedule?	NO	NO	NO	NO	NO
Will I have to pay a fee if I pay more than the required monthly payment?	NO	NO	NO	NO	NO
Will I pay an additional fee if my payments are late?	YES	YES	YES	YES	YES

* On some products, Chase may offer a voluntary "temporary buydown" arrangement, which can provide a lower initial payment, but eventually expires. Upon expiration of this arrangement, the payment and/or interest rate may increase. The chart above assumes that the borrower does not choose to participate in this program. No borrower will be enrolled in this program without the borrower's voluntary consent.

** At your request, and when permitted by law, Chase may permit an "escrow waiver," meaning that you will make your own payments for taxes and insurance directly to your tax collector/insurance company, rather than including those payments with your mortgage payment. Chase is not required to approve an escrow waiver request. If such a request is made and approved, your monthly payments may be lower, but other additional costs may apply. Even where an escrow waiver is approved, Chase may cancel it later if you fail to make your tax and insurance payments on time.

General Information about Various Types of Mortgage Loan Features:

Adjustable-Rate Mortgages (ARMs): Adjustable-Rate Mortgages have interest rates that start out fixed for a period of time, then after that time expires, the rates change (or "adjust") throughout the remaining term of the loan. The lender calculates your note rate at each change date by adding an "index" and "margin" together. The index is usually an adjustable rate that can be found in major newspapers or on the Internet, and adjustments to this rate are outside the lender's control. The margin is an additional rate that usually stays the same during the life of your loan. As the index changes over time, so does your rate. Because the rate can change, the payment can also change. At the beginning of a loan term, Adjustable-Rate Mortgages typically offer lower rates than fixed-rate loans. But adjustable rates go up or down over the term of the loan, and over time, may cost more than a fixed-rate loan. The beginning rate, the change dates, the index, and the margin will be stated in the loan documents.

Interest-Only Mortgages (IOs): Interest-Only Mortgages provide for "interest-only" payments during a portion of the term of the loan, which cover only the interest accrued on the loan during the month. Interest-only payments do not reduce the principal balance, and as a result, are lower than payments that include principal. Interest-only payments only last for a certain period of time. After that, your monthly payment will increase to begin paying down the loan principal.

HELOC Draw Period: Home Equity Lines of Credit (HELOCs) have a "draw period," also called a "borrowing period," which is the period during the term of the HELOC Credit Line Agreement (HELOC Agreement) when you may request advances to draw upon your line of credit. Periodic minimum payments are required during the draw period.



HELOC Repayment Period: HELOCs have a “repayment period,” which is the period during the term of the HELOC Agreement where you may not request advances and you begin repaying your outstanding balance. The repayment period begins on the day after your draw period ends with the next payment date. Your repayment period may be divided into two separate time periods, an Interest Only payment period followed by period of payments where your monthly payment will increase in order to begin paying down the HELOC principal.

IMPORTANT - PLEASE READ CAREFULLY: All of the loan features described in this section may result in increases in your payment. If you cannot make the monthly payments or a balloon payment when due you will be in default under your loan. If you are eligible to refinance at that time, you will have to pay any expenses associated with the refinance, your payments and interest rate may increase, and the number of payments you have remaining may also increase. If your property has gone down in value or if you don't have enough equity in your property, you may find it more difficult or expensive to refinance, or to obtain cash back at the sale of your property.

Documents You Will be Required to Sign When Obtaining a Loan from Chase:

- **MORTGAGE or DEED OF TRUST:** Provides Chase with collateral for your loan. If you default on your loan (by failing to make your payments or failing to meet any other obligations under the Note, Mortgage/Deed of Trust, or Credit Line Agreement), the Mortgage or Deed of Trust gives Chase the right to foreclose on your property, have it sold, and apply the proceeds to the loan balance. In addition to making your payments you must maintain your property insurance and pay your property taxes. Your loan terms may include an escrow account into which a portion of your monthly payments will be deposited for payment of the taxes and insurance on your property. If you do not maintain an escrow account, you must pay taxes and insurance directly to the applicable government authority and to the insurance company.
- **NOTE or CREDIT LINE AGREEMENT:** The Note, or, in the case of a HELOC, a Credit Line Agreement, is your promise to repay the loan. If you fail to make your payments when due, Chase may demand that all remaining principal become immediately due and payable.
- **CLOSING DISCLOSURE:** Provides (1) information about the loan including loan term, projected payments, loan costs and costs at closing; (2) summaries of the borrower's and seller's transactions; (3) additional information about the loan, including assumptions, partial payments, escrow accounts, adjustments to payments and adjustments to interest rate; and (4) loan calculations related to, among other things, total of payments and finance charges, other disclosures for appraisals, liability for foreclosure and other information, and contact information for the lender, mortgage broker, real estate broker and settlement agent as applicable. If you are applying for a HELOC, you will not receive a Closing Disclosure, but will receive a Disbursement Schedule.
- **DISBURSEMENT SCHEDULE:** Applies only to certain types of loans (HELOCs), and therefore, may not be included in your loan package. If included, the document shows the payment of all funds related to the closing (for example, funds disbursed to pay off debt, any cash to borrower, fees paid to lender, mortgage tax payments, and more).
- **NOTICE OF RIGHT TO CANCEL:** Applies only to certain types of loans (owner occupied refinance transactions and HELOCs), and therefore, may not be included in your loan package. If included, as explained in the document, you have the right to cancel the loan any time before midnight of the third (3rd) business day following your closing by following the instructions in the notice.
- **MORTGAGOR/SELLER CERTIFICATIONS:** Applies only to certain types of loans (FHA and VA loans), and therefore, may not be included in your loan package. If included, by signing this document, you make certain statements to Chase (for example, that there has been no change in your income, and if applicable, that the property will be owner-occupied). Chase relies on these statements when making your loan. If they are later found to be untrue you may be in default under your loan and Chase may demand payment of the full outstanding balance under the Note or Credit Line Agreement, and exercise its rights under the Mortgage/Deed of Trust.
- **DOCUMENT CORRECTION AGREEMENT:** Requires you to re-sign any documents that need to be corrected or completed. If you fail to do so, you can be held liable for any losses Chase suffers as a result.

IMPORTANT NOTICE: Loan and disclosure documentation, as well as servicing and billing communications, are only available in English. If you have concerns about reviewing or signing important documents in the English language, Chase strongly recommends that you consult with a qualified interpreter.

AVISO IMPORTANTE: La documentación relacionada con el préstamo y las declaraciones respectivas, así como las comunicaciones sobre administración y facturación, están disponibles sólo en inglés. Si tiene alguna duda al leer o firmar documentos importantes en inglés, Chase le recomienda que consulte con un intérprete cualificado.