DADE COUNTY FEDERAL
CREDIT UNION
1500 NW 107th Ave.
Sweetwater, FL 33172
(305) 471-5080

Home Equity Early Disclosure

IMPORTANT TERMS OF OUR HOME EQUITY LINE OF CREDIT PLAN
FIXED TO VARIABLE

This disclosure contains important information about our Home Equity Line of Credit Plan. You should read it carefully and keep a copy for your records.

AVAILABILITY OF TERMS: All of the terms described below are subject to change. If these terms change (other than the annual percentage rate) and you decide, as a result, not to enter into an agreement with us, you are entitled to a refund of any fees that you pay to us or anyone else in connection with your application.

SECURITY INTEREST: We will take a security interest in your home. You could lose your home if you do not meet the obligations in your agreement with us.

POSSIBLE ACTIONS: We can terminate your line, require you to pay us the entire outstanding balance in one payment, and charge you certain fees, if (1) you engage in fraud or material misrepresentation in connection with the plan; (2) you do not meet the repayment terms of this plan, or (3) your action or inaction adversely affects the collateral or our rights in the collateral.
We can refuse to make additional extensions of credit or reduce your credit limit if (1) any reasons mentioned above exist; (2) the value of the dwelling securing the line declines significantly below its appraised value for purposes of the line; (3) we reasonably believe that you will not be able to meet the repayment requirements due to a material change in your financial circumstances; (4) you are in default of a material obligation of the agreement; (5) government action prevents us from imposing the annual percentage rate provided for in the agreement; (6) the priority of our security interest is adversely affected by government action to the extent that the value of the security interest is less than 120 percent of the credit line; (7) a regulatory agency has notified us that continued advances would constitute an unsafe and unsound business practice, (8) the maximum annual percentage rate is reached.

FIXED ANNUAL PERCENTAGE RATE AND VARIABLE RATE FEATURE: During the first 2 years of your draw period, the annual percentage rate will not be based on an index value. It will be based upon a fixed rate which will be specified at closing and will be based upon the market conditions at that time. An **ANNUAL PERCENTAGE RATE** of 9.25% is representative of a fixed rate recently offered by us. The fixed annual percentage rate includes only interest and no other costs. Please ask us for the current fixed annual percentage rate under this plan.

This plan also contains a variable rate feature beginning with the 3rd year of the plan, and the annual percentage rate (corresponding to the periodic rate) may change as a result. The annual percentage rate includes only interest and no other costs.

The annual percentage rate for the variable rate portion of the plan rate is based on the value of an index. The index is the Prime Rate published in the Money Rates column of *The Wall Street Journal*. When a range of rates has been published the highest rate will be used. We will use the most recent index value available to us as of 1 day before the date of any annual percentage rate adjustment.

To determine the annual percentage rate that will apply to your account, we add a margin to the value of the Index. If the rate is not already rounded, we then round up to the next 0.125%. Ask us for the current index value, margin and annual percentage rate. After you open a plan, rate information will be provided on periodic statements that we send you.

MINIMUM PAYMENT REQUIREMENTS: You can obtain credit advances for 10 years. This period is called the "draw period." At our option, we may renew or extend the draw period. After the draw period ends the repayment period will begin. The length of the repayment period will depend on the balance at the time of the last advance you obtain before the draw period ends. You will be required to make monthly payments during both the draw and repayment periods. At the time of each credit advance a payoff period will be established. The payoff period may vary depending on the amount of your outstanding credit balance after you obtain an advance. The payoff period is shown in the following table:

Range of Balances			*Payoff Period*
Up to	-	$25,000.00	120 Monthly Payments
$25,000.01	-	$50,000.00	180 Monthly Payments
$50,000.01	-	and above	240 Monthly Payments

The payoff period will always be the shorter of the payoff period for your outstanding balance or the time remaining to the maturity date. Your payment will be set to repay the balance after the advance, at the current annual percentage rate, within the payoff period. Your payment will be rounded up to the nearest dollar. Your payment will remain the same unless you obtain another credit advance. Your payment may also change if the annual percentage rate increases or decreases. Each time the annual percentage rate changes, we will adjust your payment to repay the balance within the original payoff period. Your payment will include any amounts past due and any amount by which you have exceeded your credit limit, and all other charges.

RATE CHANGES: The annual percentage rate can change quarterly on the first day of January, April, July and October. The rate cannot increase or decrease more than 1.0 percentage point at each adjustment. The maximum **ANNUAL PERCENTAGE RATE** that can apply is 18.0% or the maximum permitted by law, whichever is less. However, under no circumstances will your **ANNUAL PERCENTAGE RATE** go below 4.00% at any time during the term of the plan.

MINIMUM PAYMENT EXAMPLE: If you made only the minimum monthly payment and took no other credit advances it would take 9 years 11 months to pay off a credit advance of $10,000 at an **ANNUAL PERCENTAGE RATE** of 8.0%. During that period, you would make 118 payments of $122.00 and one (1) final payment of $122.06.

PROPERTY INSURANCE: You must carry insurance on the property that secures this plan. If the property is located in a Special Flood Hazard Area we will require you to obtain flood insurance if it is available.

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The following notice is required by New York law. You are required to obtain property insurance on the property that is security for your mortgage loan. We cannot require you to obtain an insurance policy in excess of the replacement cost of the improvements on the property securing the loan.

REFUNDABILITY OF FEES: If you decide not to enter into this plan within three business days of receiving this disclosure and the home equity brochure, you are entitled to a refund of any fee you may have already paid.

TAX DEDUCTIBILITY: You should consult a tax advisor regarding the deductibility of interest and charges for the plan.

ADDITIONAL HOME EQUITY PLANS: Please ask us about our other available home equity line of credit plans.

MAXIMUM RATE AND PAYMENT EXAMPLES: If you had an outstanding balance of $10,000, the minimum payment at the maximum **ANNUAL PERCENTAGE RATE** of 18.0% would be $181.00. This annual percentage rate could be reached at the time of the 25th payment.

MARGIN ADDED TO INDEX: The margin that will apply to your plan will be based on your creditworthiness, Loan-To-Value Ratio, and whether or not you paid closing costs. Please ask the credit union what your particular margin will be.

FEES AND CHARGES: You may have to pay certain fees to third parties to open the plan and those fees are based on your Line of Credit Limit. If you ask we will provide you with an itemization of the fees you will have to pay to third parties.

HISTORICAL EXAMPLE: The following table shows how the annual percentage rate and the minimum payments for a single $10,000 credit advance would have changed based on changes in the index over the past 15 years. The index values are as of the last business day of July of each year. While only one payment per year is shown, payments may have varied during each year. The table assumes that no additional credit advances were taken, that only the minimum payments were made, and that the rate remained constant during each year. It does not necessarily indicate how the index or your payments will change in the future.

WALL STREET JOURNAL PRIME RATE INDEX TABLE

Year (as of the last business day of July)	Index (Percent)	Margin[1] (Percent)	**ANNUAL PERCENTAGE RATE**	Monthly Payment (Dollars)
2012	3.250	1.250	9.250[2]	$129.00
2013	3.250	1.250	9.250[2]	$129.00
2014	3.250	1.250	4.500	$108.00
2015	3.250	1.250	4.500	$108.00
2016	3.500	1.250	4.750	$108.00
2017	4.250	1.250	5.500	$110.00
2018	5.000	1.250	6.250	$112.00
2019	5.500	1.250	6.750	$112.00
2020	3.250	1.250	4.500	$110.00
2021	3.250	1.250	4.500	$110.00
2022	5.500	1.250	6.750	
2023	8.500	1.250	9.750	
2024	8.500	1.250	9.750	
2025	7.500	1.250	8.750	
2026	6.750	1.250	8.000	

[1] This is a margin we have used recently; your margin may be different.

[2] This **ANNUAL PERCENTAGE RATE** reflects a fixed rate that we have provided recently, your plan may reflect a different amount.

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