



P.O. Box 2300  
Honolulu, HI 96804-2300

<NMLS Registered Teammates – Attach business card here>

Thank you for your interest in our Home Equity Line of Credit. To process your application as quickly as possible, please provide us with the items marked below:

- Completed and signed Home Equity Line of Credit application. If you own multiple properties, complete a Schedule of Real Estate Owned.
- Copies of current paystubs covering one full month and your last two years' W-2 statements if income is based on an hourly wage or salary.
- Copy of award letter or most recent 1099 if income is from Social Security or pension.
- Copies of most recent 1099 and complete retirement account statement(s) if you are retired and receiving distributions from a 401(k), IRA, or annuity.
- Copies of last two years' U.S. Individual Income Tax Returns with all schedules and K-1s if:
  - o You are requesting a loan amount of \$400,000 or more,
  - o You file income on Schedule C, E, and/or F
    - If you own 25% or more of a corporation or partnership, copies of last two years' U.S. Business Tax Returns with all schedules.
    - If you are self-employed, a current Profit and Loss Statement dated and signed by you or a CPA if it is audited.
- Copy of Trust Agreement, including all amendments and restatements if the subject property is held in Trust.
- Copy of your current homeowners/hurricane/flood insurance policies, including the premium, for the property you are using as collateral.
  - o Copy of Summary of Insurance if your property is covered by a condo master policy.
- Copy of most recent statement for any mortgage(s) on the property you are using as collateral.
- Copy of Solar Agreement if the property has a financed or leased solar or PV system.
- Copy of Final Closing Disclosure and/or Settlement Statement if any of the following apply:
  - o You sold a property in the last year
  - o You purchased a property within the last three months
  - o Refinanced a mortgage within the last three months
- Please provide supporting documentation if there have been any recent changes to the subject property's ownership (i.e. name change document, marriage certificate, death certificate, etc.).
- Please confirm if there is construction being performed on the subject property or any open permits at this time.
  - o Yes \_\_\_\_\_ No \_\_\_\_\_
- If the subject property is part of a Condominium Property Regime, please provide:
  - o Name of condo project: \_\_\_\_\_ Amount of monthly maintenance fee: \$ \_\_\_\_\_
- As part of this loan, a property inspector may need to photograph the exterior of your property. If your property is not visible or accessible from a public street (gated community, private road, etc.), the property inspector will need to contact you. Please provide:
  - o Contact Person: \_\_\_\_\_ Contact Number: \_\_\_\_\_

We will keep you updated on the progress of your loan application. Upon review of the documents provided, we may require additional documentation or information. We will let you know of our decision after receiving complete information. Should you have any questions, please feel free to call me. My business card is attached for your convenience.



# Home Equity Line of Credit Application

<input type="checkbox"/> <b>INDIVIDUAL</b> <ul style="list-style-type: none"> <li>• Only Primary Applicant is allowed to use the credit and is responsible for repayment.</li> <li>• Fill in information for Primary Applicant Only.</li> <li>• Only Primary Applicant must sign application. Credit to be issued only to Primary Applicant.</li> </ul>	<input type="checkbox"/> <b>JOINT</b> – <i>we intend to apply for joint credit</i> <ul style="list-style-type: none"> <li>• Primary Applicant and Co-Applicant may use the credit without each other's permission. Each will be responsible for paying off the entire line, no matter who used the money from the line.</li> <li>• Fill in information for both Primary Applicant and Co-Applicant.</li> <li>• Both Primary Applicant and Co-Applicant must sign application.</li> <li>• Credit to be issued to Primary Applicant and Co-Applicant.</li> </ul>	<div style="text-align: right; font-weight: bold;">↓ Initial below</div> <div style="border: 1px solid black; padding: 2px;">Primary Applicant</div> <div style="border: 1px solid black; padding: 2px;">Co-Applicant</div>
<b>Amount applying for:</b> (minimum \$10,000) \$	<b>Purpose:</b> <input type="checkbox"/> Home Purchase <input type="checkbox"/> Home Improvement <input type="checkbox"/> Refinancing <input type="checkbox"/> Cash-out Refinancing <input type="checkbox"/> Personal Expenses	

Collateral Property Details (Hawaii properties only)					
Property Address			City	State	ZIP
Current Mortgage Balance \$	Estimated Value \$	Property Type <input type="checkbox"/> 1-Unit <input type="checkbox"/> 2-Unit <input type="checkbox"/> 3-Unit <input type="checkbox"/> 4-Unit	Owner Occupancy <input type="checkbox"/> Investment/Rental <input type="checkbox"/> Owner Occupied <input type="checkbox"/> Second Home		

## Tell Us About Yourself

Primary Applicant Information					
<input type="checkbox"/> Married <input type="checkbox"/> Unmarried (including single, divorced and widowed)					
Last Name		First Name	Middle Name	Social Security No.	Date of Birth
Home Address			City	State	ZIP
			Years There?	Rent/Mortgage (Monthly) \$	
Previous Address (if less than two years)			City	State	ZIP
Mailing Address (if different from Home Address)			City	State	ZIP
Home Phone		Cell Phone	Work Phone	Email	

Employment Type <input type="checkbox"/> Full Time <input type="checkbox"/> Part Time <input type="checkbox"/> Self Employed <input type="checkbox"/> Other					
Employer			Job Title / Military Rank	Years There?	Time in Line of Work?
Previous Employer (if less than two years)			Job Title / Military Rank	Years There?	
Gross Monthly Income \$	Other Income* (Monthly) \$	Source of Other Income*	* NOTE: Alimony, child support, or separate maintenance income need not be revealed if you do not wish to have it considered as a basis for repaying this obligation.		
*Alimony, child support or separate maintenance income received under: <input type="checkbox"/> Court Order <input type="checkbox"/> Written Agreement <input type="checkbox"/> Oral Understanding					

## Demographic Information

**Demographic Information of Borrower:** The purpose of collecting this information is to help ensure that all applicants are treated fairly and that the housing needs of communities and neighborhoods are being fulfilled. For residential mortgage lending, federal law requires that we ask applicants for their demographic information (ethnicity, sex, and race) in order to monitor our compliance with equal credit opportunity, fair housing, and home mortgage disclosure laws. You are not required to provide this information, but are encouraged to do so. **The law provides that we may not discriminate** on the basis of this information, or on whether you choose to provide it. However, if you choose not to provide the information and you have made this application in person, federal regulations require us to note your ethnicity, sex, and race on the basis of visual observation or surname. The law also provides that we may not discriminate on the basis of your age or marital status information you provide in this application.

**Instructions:** You may select one or more "Hispanic or Latino" origins and one or more designations for "Race." If you do not wish to provide some or all of this information, select the applicable check box.

### Ethnicity

- Hispanic or Latino
  - Mexican    Puerto Rican    Cuban
  - Other Hispanic or Latino -  
 Enter origin \_\_\_\_\_  
*Examples: Argentinean, Colombian, Dominican, Nicaraguan, Salvadoran, Spaniard, etc.*
- Not Hispanic or Latino
- I do not wish to provide this information

### Sex

- Female                       Male
- I do not wish to provide this information

### Race

- American Indian or Alaska Native - Enter name of enrolled or principal tribe: \_\_\_\_\_
- Asian
  - Asian Indian    Chinese    Filipino    Japanese    Korean    Vietnamese
  - Other Asian - Enter race: \_\_\_\_\_  
*Examples: Hmong, Laotian, Thai, Pakistani, Cambodian, etc.*
- Black or African American
- Native Hawaiian or Other Pacific Islander
  - Native Hawaiian    Guamanian or Chamorro    Samoan
  - Other Pacific Islander - Enter race: \_\_\_\_\_  
*Examples: Fijian, Tongan, etc.*
- White
- I do not wish to provide this information

**Co-Applicant Information**

Married  Unmarried (including single, divorced and widowed)

Last Name		First Name		Middle Name		Social Security No.		Date of Birth	
Home Address				City		State	ZIP	Years There?	Rent/Mortgage (Monthly) \$
Previous Address (if less than two years)				City		State	ZIP		
Mailing Address (if different from Home Address)				City		State	ZIP		
Home Phone		Cell Phone		Work Phone		Email			

Employment Type  Full Time  Part Time  Self Employed  Other

Employer			Job Title / Military Rank			Years There?	Time in Line of Work?	
Previous Employer (if less than two years)			Job Title / Military Rank			Years There?		
Gross Monthly Income \$		Other Income* (Monthly) \$		Source of Other Income*		* NOTE: Alimony, child support, or separate maintenance income need not be revealed if you do not wish to have it considered as a basis for repaying this obligation.		

\*Alimony, child support or separate maintenance income received under:  Court Order  Written Agreement  Oral Understanding

**Demographic Information**

**Demographic Information of Borrower:** The purpose of collecting this information is to help ensure that all applicants are treated fairly and that the housing needs of communities and neighborhoods are being fulfilled. For residential mortgage lending, federal law requires that we ask applicants for their demographic information (ethnicity, sex, and race) in order to monitor our compliance with equal credit opportunity, fair housing, and home mortgage disclosure laws. You are not required to provide this information, but are encouraged to do so. **The law provides that we may not discriminate** on the basis of this information, or on whether you choose to provide it. However, if you choose not to provide the information and you have made this application in person, federal regulations require us to note your ethnicity, sex, and race on the basis of visual observation or surname. The law also provides that we may not discriminate on the basis of your age or marital status information you provide in this application.

**Instructions:** You may select one or more "Hispanic or Latino" origins and one or more designations for "Race." If you do not wish to provide some or all of this information, select the applicable check box.

**Ethnicity**

- Hispanic or Latino
  - Mexican  Puerto Rican  Cuban
  - Other Hispanic or Latino -  
Enter origin \_\_\_\_\_  
*Examples: Argentinean, Colombian, Dominican, Nicaraguan, Salvadoran, Spaniard, etc.*
- Not Hispanic or Latino
- I do not wish to provide this information

**Sex**

- Female  Male
- I do not wish to provide this information

**Race**

- American Indian or Alaska Native - Enter name of enrolled or principal tribe: \_\_\_\_\_
- Asian
  - Asian Indian  Chinese  Filipino  Japanese  Korean  Vietnamese
  - Other Asian - Enter race: \_\_\_\_\_  
*Examples: Hmong, Laotian, Thai, Pakistani, Cambodian, etc.*
- Black or African American
- Native Hawaiian or Other Pacific Islander
  - Native Hawaiian  Guamanian or Chamorro  Samoan
  - Other Pacific Islander - Enter race: \_\_\_\_\_  
*Examples: Fijian, Tongan, etc.*
- White
- I do not wish to provide this information

**Assets** (Please list all assets including checking, savings, IRA, 401K, money market, and investments.)

Bank / Financial Institution	Account Balance \$
Bank / Financial Institution	Account Balance \$
Bank / Financial Institution	Account Balance \$
Bank / Financial Institution	Account Balance \$

**Other Real Estate Owned** (If additional space is needed use the attached schedule.)

Property Address (Physical Address)	Lender	Balance Owning	Monthly Payment	Maintenance, Taxes & Insurance	Rental Income (if applicable)
		\$	\$	\$	\$
		\$	\$	\$	\$
		\$	\$	\$	\$
		\$	\$	\$	\$

**Obligations** (We will pull information from your credit report. Please list obligations that may not appear on the report.)

Alimony (Monthly Payment) \$	Child Support (Monthly Payment) \$	Other Obligations (Monthly Payment) \$
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**Auto Pay Authorization**

Yes, sign me up for Auto Pay from my American Savings Bank Personal Checking account. Account # \_\_\_\_\_

Your payments will be automatically scheduled according to the scheduled payment date on your loan agreement.

Minimum Monthly Payment       Minimum Monthly Payment + Additional \$ \_\_\_\_\_

I (we) also authorize American Savings Bank to initiate adjustments to my account to correct any errors made in relation to these transfers. I agree to have enough money in my account at least one (1) day before the transfer is scheduled. If I do not have enough money in my account to make these transfers three (3) times during any 12-month period, I understand that American Savings Bank can unilaterally cancel this service 21 calendar days after sending written notice to me. This authorization shall remain in full force and effect, and shall be binding on my heirs, personal representative, administrators, assignors and co-owners of the account above, unless an owner of the account to be withdrawn from cancels in writing no less than seven (7) business days before the next scheduled transfer. An owner of the account to be withdrawn from can revoke this authorization by writing to American Savings Bank, ATTN: ACH Services, PO Box 2300, Honolulu, HI 96804-2300.

**Additional Information Required To Complete Home Equity Line of Credit Application**

Is construction being performed on your home at this time?  YES  NO

As part of your HELOC application we will order a property appraisal or a property condition report (requires photos from the street). Is the property visible from the street?  YES  NO

Will this loan be used to purchase the fee on your property?  YES  NO

Will you be requesting American Savings Bank to pay off loans with proceeds of your Home Equity Line of Credit account? (Please provide current account statements and complete account numbers.)  YES  NO

**Important Information About Procedures For Opening A New Account**

To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. What this means for you: When you open an account, we will ask for your name, address, date of birth, and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents.

You are applying for a Home Equity Line of Credit account which will be secured by a mortgage on the property listed on this application. You promise that the property will not be used for any illegal or restricted purpose and that all statements made on this application are true and are made for obtaining the loan. You fully understand that it is a federal crime punishable by fine or imprisonment, or both, to make intentional false statements concerning any of the above facts as applicable under the provisions of Title 18, United States Code, Section 1014. You have read this application and promise that everything you have stated in it is true. You are at least 18 years of age and either a U.S. citizen or permanent resident. You agree to reimburse ASB for any expenses it incurs as a result of this loan request if you should cancel before the loan closes or if this credit request is denied.

You (i) certify that all information provided in this application is correct and to the best of your knowledge, (ii) authorize American Savings Bank ("ASB") to verify at any time your credit and employment history, (iii) authorize ASB to verify information contained in this application and in other documents required in connection with this application, either before or after the loan is closed, (iv) authorize ASB to request any and all information and documentation related to your income, deposit account balances, loan payoff amounts, and/or tax returns, (v) authorize ASB to instruct your insurer to recognize ASB as a mortgagee on your insurance policies, and (vi) understand that ASB retains this application (whether or not approved).

By signing below, you also acknowledge that you have received the disclosures "Important Terms Of Our Home Equity Line Of Credit" and "What you should know about home equity lines of credit" and had the opportunity to read them before submitting this application form. You also acknowledge that if your application is approved, you must still sign a Credit Agreement, a mortgage and other documents required by us and that ASB may keep some of its records in digital or electronic format and that such records have the same legal effect as the paper version of those records.

**X**

Applicant's Signature

Date

**X**

Co-Applicant's Signature

Date

# Schedule of Real Estate Owned

Property Address (Physical Address)	City	State	Zip	Lender	Balance Owning	Monthly Payment	Maintenance, Taxes & Insurance	Rental Income (if applicable)

\_\_\_\_\_  
Applicant's Name

\_\_\_\_\_  
Co-Applicant's Name

**X** \_\_\_\_\_  
Applicant's Signature

\_\_\_\_\_  
Date

**X** \_\_\_\_\_  
Co-Applicant's Signature

\_\_\_\_\_  
Date

## **IMPORTANT TERMS of our HOME EQUITY LINE OF CREDIT** **(Equity Express<sup>SM</sup> Account or Equity Express<sup>SM</sup> Total Line of Credit Account)**

**Retention of Information:** This disclosure contains important information about our Equity Express Account Home Equity Line of Credit. 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 prior to opening your account. 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 have paid to us or anyone else in connection with your application.

**Security Interest:** We will take a mortgage on 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 account, require you to pay us the entire outstanding balance in one payment before the draw or repayment periods end, and charge you certain fees if: 1) there is fraud or material misrepresentation by you in connection with your line; 2) you fail to make a payment when due or otherwise meet the repayment terms of your line for any outstanding balance; or 3) any action or inaction by you adversely affects our security interest for your line or any right we have in the collateral (your home). Examples of acts by you which may adversely affect our rights in the collateral including, but are not limited to, the following: if you transfer title to or sell the collateral in a manner not permitted by the mortgage; if you fail to maintain or acquire insurance on your home; if you commit waste or other destructive use or fail to maintain the collateral such that it adversely affects the value of the collateral; if you fail to pay property taxes or assessments resulting in the filing of a lien senior to that of the mortgage; if you die; if the collateral is taken by condemnation; or if a prior mortgage holder forecloses. We may suspend further advances or "freeze" your line or reduce your credit limit during the draw period if: 1) the value of any dwelling that is part of the collateral declines significantly below its appraised value for purposes of your line; 2) we reasonably believe that you will be unable to fulfill your repayment obligations under your line because of material change in your financial circumstances; 3) you are in default of any material obligations under the agreement; 4) we are prevented by government action from imposing the annual percentage rate provided for in the agreement; 5) the priority of the lien of the mortgage is adversely affected by government action to the extent that the value of our security is less than 120% of your balance under your line; or, 6) we are notified by our regulatory agency that continued advances constitute an unsafe or unsound practice. The initial agreement permits us to make certain changes to the terms of the agreement at specified times or upon the occurrence of specified events.

**Eligibility:** Depending on your creditworthiness, you may qualify for one of two Equity Express Products, (i) Equity Express or (ii) Equity Express Total Line of Credit. The differences in Payment structures are described here below.

**Draw Period:** You can obtain credit advances ten years from the date of your agreement unless your rights to obtain advances of credit are otherwise suspended or canceled. During the draw period, payments will be due monthly. Your minimum monthly payment during the draw period is described below. After the draw period ends, you will no longer be able to obtain credit advances and must repay the outstanding balance as stated in the "Repayment Period" section of this disclosure.

**Repayment Period:** You will no longer be able to obtain credit advances ten years from the date of your agreement. The length of the repayment period will be twenty years and begins immediately after the draw period expires. During the repayment period, payments will be due monthly. Your minimum monthly payment during the repayment period is described below.

### **Equity Express:**

**Minimum Payment Requirement Draw Period:** Your minimum monthly payments will be equal to the sum of the finance charges, any credit insurance and any other charges that apply, including amounts past due, and late charges. The minimum payment will not fully repay the principal that is outstanding on your line. You will then be required to pay the entire balance during the repayment period.

**Minimum Payment Requirement Repayment Period:** Your minimum monthly payments will be equal to 1/240<sup>th</sup> of the outstanding principal balance, determined as of the first day of the repayment period, plus all accrued finance charges, any credit insurance and any other charges that apply, including amounts past due, and late charges.

**Minimum Payment Example:** If you made only the minimum payments and took no other credit advances, it would take thirty years to pay off a credit advance of \$10,000.00 at an ANNUAL PERCENTAGE RATE OF 9.50%. Because the line of credit has a draw period of ten years plus a repayment period of twenty years, if your line was not renewed or extended and you make the minimum payments, you would make 120 monthly payments of \$72.88 to \$80.68 during the draw period, followed by 240 monthly principal plus interest payments ranging from \$42.00 to \$120.83. An increase in the ANNUAL PERCENTAGE RATE may increase the amount of your monthly payment. Monthly payments are approximations and vary due to minor variations in rounding.

### **Equity Express Total Line of Credit:**

**Minimum Payment Requirement Draw Period:** Your minimum monthly payments will be equal to the sum of 0.25% of your outstanding balance plus the finance charges, any credit insurance and any other charges that apply, including amounts past due, and late charges. The minimum payment will not fully repay the principal that is outstanding on your line. You will then be required to pay the entire balance during the repayment period.

**Minimum Payment Requirement Repayment Period:** Your minimum monthly payments will be equal to 1/240<sup>th</sup> of the outstanding principal balance, determined as of the first day of the repayment period, plus all accrued finance charges, any credit insurance and any other charges that apply, including amounts past due, and late charges.

**Minimum Payment Example:** If you made only the minimum payments and took no other credit advances, it would take thirty years to pay off a credit advance of \$10,000.00 at an ANNUAL PERCENTAGE RATE OF 9.50%. Because the line of credit has a draw period of ten years plus a repayment period of twenty years, if your line was not renewed or extended and you make the minimum payments, you would make 120 monthly payments of \$77.33 to \$104.17 during the draw period, followed by 240 monthly principal and interest payments of about \$31.10 to \$89.49. An increase in the ANNUAL PERCENTAGE RATE may increase the amount of your monthly payment. Monthly payments are approximations and vary due to minor variations in rounding.

**Fees and Charges to Open the Account:** To open a line of credit, you must pay certain fees and charges to third parties. These fees and charges generally total between \$10.00 and \$3,000.00 (American Savings Bank may waive any or all of these fees). If you ask, we will give you an itemization of the fees and charges you will have to pay to third parties. In addition to any third party fees, you must also pay us the following: (a) a fee for notary service (\$100.00 - \$250.00 per signer); (b) a credit report fee (\$4.50 per applicant); (c) a recording of mortgage fee (\$36.00 for land court/\$41.00 for regular system/\$77.00 for double-system); (d) a condo processing fee (\$100.00); (e) a trust review and trust mortgage document preparation fee (\$100.00 - \$366.49); (f) a property valuation fee (\$15.00) and property condition report fee (\$60.00 - \$215.00) (if a valuation is not available, the current tax assessed value and property inspection report or an appraisal may be used; for home equity credit line requests over \$400,000.00 and in some situations, an appraisal may be required), or an appraisal fee (\$500.00 - \$1,500.00 depending on the property); (g) a flood certification fee (\$9.00); (h) a mortgage/document preparation fee (\$104.71); (i) title insurance fees based on the amount of the line of credit requested (\$150.00 - \$3,600.00); and (j) Escrow services fee (\$200.00 - \$1,500.00). All of the above fees and charges are estimated at the time of loan closing and subject to change.

**Maintenance Fees and/or Account Charges:** To maintain a line of credit, you may pay certain charges and fees: (a) An annual fee (\$50.00) is charged in your first periodic statement and annually at loan anniversary during the draw period (this fee may be waived with automatic payment from a Kalo Deluxe<sup>SM</sup> or Private Banking personal checking account which must be set up by loan signing. Please see the Personal Deposit Account Terms and Conditions for other terms, conditions and fees for Kalo Checking accounts); (b) hazard/fire/flood insurance premiums for the property if you do not obtain that insurance yourself and we elect at our option to obtain it for you as provided in the mortgage; (c) charges for taxes, lease rent, assessments and other advances made at our option to protect the property as provided in the mortgage; (d) release of mortgage fee including the fee paid to each public official plus third-party handling fee (estimated amount is \$41.00 - \$82.00) (there may be more than one recordation); (e) if your line amount is more than \$25,000.00, a fee of five hundred (\$500.00) will be charged if you request we close it within three (3) years from the Date of Agreement (We will not assess this fee if: [i] your Credit Limit is \$25,000.00 or less, [ii] you sell the Collateral to an unrelated/unaffiliated third-party, or [iii] you pay off your Agreement with proceeds from a real estate secured loan from us); (f) subordination fee (\$300.00); (g) late payment fee: 5% of the unpaid portion of the minimum amount due (maximum late charge is \$30.00 per late payment); (h) returned mail fee (\$5.00 per month). All of the above fees and charges are estimated at the time of loan closing and subject to change.

**Escrow Payments:** It is unlikely that we will require escrow payments. We may require escrow payments if they are not already collected by

another lender. We have the right to collect 1/12<sup>th</sup> of the yearly taxes, assessments, mortgage insurance, insurance and lease rent for your property at the same time we collect your monthly payment. Collection of escrow payments allows us to make sure that these items are paid and do not become liens on your property. We do not pay you interest on the amount of money in escrow. If you fail to make your escrow payment, you will be in default and we can require immediate repayment of all money you owe us.

**Property Insurance:** You will be required to carry hazard insurance on the property that secures this plan. If your property is located in a special flood hazard area, you will be required to maintain adequate flood insurance coverage.

**Appraisal Report Delivery:** We may order an appraisal or valuation to determine the property's value and charge you for this appraisal. If your application for credit is secured by a first lien on the property, we will promptly give you a copy of any appraisal/valuation, even if your loan does not close. You will not be required to pay an additional amount to us to receive a copy of the appraisal/valuation report. Any appraisal/valuation report used in connection with your loan application was prepared solely for our use in evaluating a request for an extension of credit. The appraisal should not be relied upon by any other person or entity. We make no express or implied representation or warranty of any kind, and we expressly disclaim any liability to any person or entity with respect to the property valuation. You can pay for an additional appraisal for your own use at your own cost.

**Minimum Draw and Balance Requirement:** There is no minimum credit advance requirement. No minimum balance is required.

**Tax Deductibility:** You should consult a tax advisor regarding the deductibility of interest and charges for the line.

**Variable-Rate Feature:** This line has a variable-rate feature, and the annual percentage rate (corresponding to the periodic rate) and the minimum payment can change as a result. The variable-rate feature applies to both the draw and repayment periods. Rate information will be provided with each periodic statement. The annual percentage rate includes only interest and not other costs. The annual percentage rate is based on the value of an index and is subject to a minimum and maximum rate as described in Rate Change, below. The index is computed by us monthly as the highest prime rate on the last business day of the calendar month as published in the Money Rate section of the *Wall Street Journal*. This index is used for the billing cycle beginning the following month. For example, the highest prime rate value on the last business day of May would be used to determine the index for the billing cycle beginning in June and so on. To determine the annual percentage rate that will apply to your line, we add a margin to the value of the index. The result of this addition will then be rounded up to the nearest 1/8th of one percentage point (0.125%). Ask us for the current index value, margin, discount and annual percentage rate.

**Rate Change:** The annual percentage rate can change on the first day of each billing cycle. The ANNUAL PERCENTAGE RATE will never be less than 4.50%. The maximum ANNUAL PERCENTAGE RATE that can apply is 18.00%. Except for this 4.50% "floor" and 18.00% "cap," there is no limit on the rate changes during any year.

**Maximum Rate and Payment Examples:**

**Equity Express:** If you had an outstanding balance of \$10,000, the minimum payment at the maximum ANNUAL PERCENTAGE RATE of 18.00% would be \$138.08 to \$152.88 during the draw period, followed by 240 monthly principal plus interest payments ranging from \$42.29 to \$191.67. This annual percentage rate could be reached during the first month of the line.

**Equity Express Total Line of Credit:** If you had an outstanding balance of \$10,000, the minimum payment at the maximum ANNUAL PERCENTAGE RATE of 18.00% would be \$129.92 to \$175.00 during the draw period, followed by 240 monthly principal plus interest payments ranging from \$31.32 to \$141.94. This annual percentage rate could be reached during the first month of the line.

**Historical Example:** The table below shows how the ANNUAL PERCENTAGE RATE and the minimum monthly payments (except for minor variations in rounding) 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 from June 1<sup>st</sup> of each year. While only one payment amount per year is shown, payments would have varied during each year. The table assumes that no additional credit advances were taken, that only the minimum payments were made each month, 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.

**Equity Express:** Payments during the first ten years are interest only (during draw period) while payments during years eleven to thirty are principal plus interest payments (during the repayment period).

Year	Index (%)	Margin* (%)	Annual Percentage Rate (%)	Minimum Monthly Payment (\$)	Maximum Monthly Payment (\$)
Draw Period					
2010	3.25%	1.00%	4.50%**	\$34.52	\$38.22
2011	3.25%	1.00%	4.50%**	\$34.52	\$38.22
2012	3.25%	1.00%	4.50%**	\$34.52	\$38.22
2013	3.25%	1.00%	4.50%**	\$35.75	\$38.22
2014	3.25%	1.00%	4.50%**	\$34.52	\$38.22
2015	3.25%	1.00%	4.50%**	\$34.52	\$38.22
2016	3.50%	1.00%	4.50%**	\$34.52	\$38.22
2017	4.00%	1.00%	5.00%	\$39.73	\$42.47
2018	4.75%	1.00%	5.75%	\$44.11	\$48.84
2019	5.50%	1.00%	6.50%	\$49.86	\$55.21
Repayment Period					
2020	3.25%	1.00%	4.50%**	\$75.04	\$79.73
2021	3.25%	1.00%	4.50%**	\$73.31	\$77.82
2022	4.00%	1.00%	5.00%	\$76.10	\$79.71
2023	8.25%	1.00%	9.25%	\$99.62	\$108.12
2024	8.50%	1.00%	9.50%	\$97.54	\$105.88

\*This is a margin we have used recently.  
 \*\* This APR is the minimum for the plan.

**Equity Express Total Line of Credit:** Payments during the first ten years are 0.25% of the outstanding balance plus accrued interest (during draw period) while payments during years eleven to thirty are principal plus interest payments (during the repayment period).

Year	Index (%)	Margin* (%)	Annual Percentage Rate (%)	Minimum Monthly Payment (\$)	Maximum Monthly Payment (\$)
Draw Period					
2010	3.25%	1.00%	4.50%**	\$58.34	\$63.06
2011	3.25%	1.00%	4.50%**	\$56.61	\$61.20
2012	3.25%	1.00%	4.50%**	\$54.94	\$59.38
2013	3.25%	1.00%	4.50%**	\$54.42	\$57.63
2014	3.25%	1.00%	4.50%**	\$51.74	\$55.92
2015	3.25%	1.00%	4.50%**	\$50.20	\$54.27
2016	3.50%	1.00%	4.50%**	\$48.72	\$52.66
2017	4.00%	1.00%	5.00%	\$51.41	\$56.82
2018	4.75%	1.00%	5.75%	\$53.27	\$57.92
2019	5.50%	1.00%	6.50%	\$56.00	\$61.05
Repayment Period					
2020	3.25%	1.00%	4.50%**	\$55.57	\$59.04
2021	3.25%	1.00%	4.50%**	\$54.29	\$57.63
2022	4.00%	1.00%	5.00%	\$56.35	\$59.03
2023	8.25%	1.00%	9.25%	\$73.77	\$80.06
2024	8.50%	1.00%	9.50%	\$72.23	\$78.41

\*This is a margin we have used recently.  
 \*\* This APR is the minimum for the plan.



**Fixed Rate Equity Loan Option (FRELO) Feature:** Your line may include a fixed rate feature that applies to Fixed Rate Equity Loan Options. The Fixed Rate Equity Loan Options may be added upon your request. You may select Fixed Rate Equity Loan Options only during the Draw Period. The term of the Fixed Rate Equity Loan Option may not exceed the maturity date of the HELOC. You can request to convert all or a portion of your balance under your variable rate line of credit to one or more Fixed Rate Equity Loans (up to five options at any one time). Each Fixed Rate Equity Loan will have a fixed rate of interest and repayment term. The minimum amount to establish a Fixed Rate Equity Loan is based on the loan term selected and/or conditions established during a FRELO promotion. You may request a Fixed Rate Equity Loan by visiting any of our branches or by calling our Customer Banking Center at (808) 627-6900 or toll-free (800) 272-2566. We will offer you a selection of current terms (3 years to 20 years) from which you may select a Fixed Rate Equity Loan at prevailing rates. In order to establish a Fixed Rate Equity Loan, your account must meet all of the following requirements: 1) No default exists under the credit line account at the time you request the Fixed Rate Equity Loan; 2) There are no more than five Fixed Rate Equity Loans in effect after you have established a Fixed Rate Equity Loan; and, 3) You request the Fixed Rate Equity Loan during the Draw Period. Once established, the Fixed Rate Equity Loan will remain at a fixed rate of interest until it is paid in full or a new Variable Rate Line of Credit advance is used to pay off the Fixed Rate Equity Loan provided you have sufficient available credit. The ANNUAL PERCENTAGE RATE includes only interest and no other costs. Credit reporting bureaus may report the FRELO on its own trade line that is separated from your Equity Express account.

**Interest Rate for Fixed Rate Equity Loan:** Rates are based on the term being requested. You may contact any of our branches for prevailing rates.

**Minimum Payment Requirements for Fixed Rate Equity Loan:** You will receive separate monthly billing statements for your Variable Rate Line of Credit and any Fixed Rate Equity Loans that you establish. You will make monthly payments for each outstanding Fixed Rate Equity Loan Option in addition to the monthly payments for the Variable Rate Line of Credit portion. Your total monthly minimum payment will equal the sum of (i) the minimum payment due on your Variable Rate Line of Credit described in the applicable sections above, plus (ii) the minimum payments due on all Fixed Rate Equity Loans you established. The minimum payment will include principal and interest based on an amortization of the loan amount at the rate for the term you select when establishing the Fixed Rate Equity Loan. The following table shows the number and amount of the payment for each repayment term at the ANNUAL PERCENTAGE RATE indicated if you converted a \$10,000.00 portion of the Variable Rate Line of Credit to the Fixed Rate Equity Loan Option and you made only the minimum payments.

Term	Number of Payments	ANNUAL PERCENTAGE RATE (%)	Minimum Payment (\$)
3-Year Term	36	7.00%	\$308.77
5-Year Term	60	7.00%	\$198.01
7-Year Term	84	7.75%	\$154.62
10-Year Term	120	8.25%	\$122.65
15-Year Term	180	9.00%	\$101.43
20-Year Term	240	9.25%	\$91.59

*The table shows the ANNUAL PERCENTAGE RATES for owner-occupant in effect on 04/23/2025. Contact ASB for current APRs and monthly payment calculations for your specific situation.*

**Fees and Charges for Fixed Rate Equity Loan:** A Loan Modification fee of \$250 will be assessed for each request to modify any of the terms made to Your existing Fixed Rate Equity Loan Option (such as, but not limited to, the rate, monthly payment, or duration of the loan). If the modifications are approved, you must pay the fee before we make the changes. This fee will not be charged for early paydown or payoff of a Fixed Rate Equity Loan Option. If using your Equity Express, it must have enough funds to paydown or payoff the loan.



WHAT YOU SHOULD KNOW ABOUT

# Home Equity Lines of Credit (HELOC)

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Borrowing from the  
value of your home



Consumer Financial  
Protection Bureau



An official publication of the U.S. government

## How to use the booklet

When you and your lender discuss home equity lines of credit, often referred to as HELOCs, you receive a copy of this booklet. It helps you explore and understand your options when borrowing against the equity in your home.

You can find more information from the Consumer Financial Protection Bureau (CFPB) about home loans at [cfpb.gov/mortgages](https://cfpb.gov/mortgages). You'll also find other mortgage-related CFPB resources, facts, and tools to help you take control of your borrowing options.

## About the CFPB

The CFPB is a 21st century agency that implements and enforces federal consumer financial law and ensures that markets for consumer financial products are fair, transparent, and competitive.

This pamphlet, titled What you should know about home equity lines of credit, was created to comply with federal law pursuant to 15 U.S.C. 1637a(e) and 12 CFR 1026.40(e).

## How can this booklet help you?

This booklet can help you decide whether home equity line of credit is the right choice for you, and help you shop for the best available option.

A home equity line of credit (HELOC) is a loan that allows you to borrow, spend, and repay as you go, using your home as collateral.

Typically, you can borrow up to a specified percentage of your equity. Equity is the value of your home minus the amount you owe on your mortgage.

**Consider a HELOC if you are confident you can keep up with the loan payments. If you fall behind or can't repay the loan on schedule, you could lose your home.**

## After you finish this booklet:

- You'll understand the effect of borrowing against your home
- You'll think through your borrowing and financing options, besides a HELOC
- You'll see how to shop for your best HELOC offer
- You'll see what to do if the economy or your situation changes

# Compare a HELOC to other money sources

Before you decide to take out a HELOC, it might make sense to consider other options that might be available to you, like the ones below.

## TIP

Renting your home out to other people may be prohibited under the terms of your line of credit.

MONEY SOURCE	HOW MUCH CAN YOU BORROW	VARIABLE OR FIXED RATE	IS YOUR HOME AT RISK?	TYPICAL ADVANTAGES	TYPICAL DISADVANTAGES
<b>HELOC</b> <i>You borrow against the equity in your home</i>	Generally a percentage of the appraised value of your home, minus the amount you owe on your mortgage	Variable, typically	Yes	Continue repaying and borrowing for several years without additional approvals or paperwork	Repayment amount varies; repayment is often required when you sell your home
<b>SECOND MORTGAGE OR HOME EQUITY LOAN</b> <i>You borrow against the equity in your home</i>	Generally a percentage of the appraised value of your home, minus the amount you owe on your mortgage	Fixed	Yes	Equal payments that pay off the entire loan	If you need more money, you need to apply for a new loan; repayment is often required when you sell your home
<b>CASH-OUT REFINANCE</b> <i>You replace your existing mortgage with a bigger mortgage and take the difference in cash</i>	Generally a percentage of the appraised value of your home; the amount of your existing loan plus the amount you want to cash out	Variable or fixed	Yes	Continue to make just one mortgage payment	Closing costs are generally higher; it may take longer to pay off your mortgage; interest rate may be higher than your current mortgage
<b>PERSONAL LINE OF CREDIT</b> <i>You borrow based on your credit, without using your home as collateral</i>	Up to your credit limit, as determined by the lender	Variable, typically	No	Continue repaying and borrowing for several years without additional approvals or paperwork	Solid credit is required; you may need to pay the entire amount due once a year; higher interest rate than a loan that uses your home as collateral

# Compare a HELOC to other money sources

MONEY SOURCE	HOW MUCH CAN YOU BORROW	VARIABLE OR FIXED RATE	IS YOUR HOME AT RISK?	TYPICAL ADVANTAGES	TYPICAL DISADVANTAGES
<p><b>RETIREMENT PLAN LOAN</b>  <i>You borrow from your retirement savings in a 401(k) or similar plan through your current employer</i></p>	<p>Generally, up to 50% of your vested balance or \$50,000, whichever is less</p>	<p>Fixed</p>	<p>No</p>	<p>Repay through paycheck deductions; paperwork required but no credit check and no impact on your credit score</p>	<p>If you leave or lose your job, repay the whole amount at that time or pay taxes and penalties; spouse may need to consent</p>
<p><b>HOME EQUITY CONVERSION MORTGAGE (HECM)</b>  <i>You must be age 62 or older, and you borrow against the equity in your home</i></p>	<p>Depends on your age, the interest rate on your loan, and the value of your home</p>	<p>Fixed or variable</p>	<p>Yes</p>	<p>You don't make monthly loan payments—instead, you typically repay the loan when you move out, or your survivors repay it after you die</p>	<p>The amount you owe grows over time; you might not have any value left in your home if you want to leave it to your heirs</p>
<p><b>CREDIT CARD</b>  <i>You borrow money from the credit card company and repay as you go</i></p>	<p>Up to the amount of your credit limit, as determined by the credit card company</p>	<p>Fixed or variable</p>	<p>No</p>	<p>No minimum purchase; consumer protections in the case of fraud or lost or stolen card</p>	<p>Higher interest rate than a loan that uses your home as collateral</p>
<p><b>FRIENDS AND FAMILY</b>  <i>You borrow money from someone you are close to</i></p>	<p>Agreed on by the borrower and lender</p>	<p>Variable, fixed or other</p>	<p>No</p>	<p>Reduced waiting time, fees, and paperwork compared to a formal loan</p>	<p>Forgiven loans and unreported or forgiven interest can complicate taxes, especially for large loans; can jeopardize important personal relationships if something goes wrong</p>

# How HELOCs work

## PREPARE FOR UP-FRONT COSTS

Some lenders waive some or all of the up-front costs for a HELOC. Others may charge fees. For example, you might get charged:

- A fee for a property **appraisal**, which is a formal estimate of the value of your home
- An application fee, which might not be refunded if you are turned down
- Closing costs, including fees for attorneys, title search, mortgage preparation and filing, property and title insurance, and taxes

## PULL MONEY FROM YOUR LINE OF CREDIT

Once approved for a HELOC, you can generally spend up to your credit limit whenever you want. When your line of credit is open for spending, you are in the you are in the **borrowing period**, also called the **draw period**. Typically, you use special checks or a credit card to draw on your line. Some plans require you to borrow a minimum amount each time (for example, \$300) or keep a minimum amount outstanding. Some plans require you to take an initial amount when the credit line is set up.

## MAKE REPAYMENTS DURING THE “DRAW PERIOD”

Some plans set a minimum monthly payment that includes a portion of the **principal** (the amount you borrow) plus accrued interest. The portion of your payment that goes toward principal typically does not repay the principal by the end of the term. Other plans may allow payment of the interest only, during the draw period, which means that you pay nothing toward the principal.

If your plan has a variable interest rate, your monthly payments may change even if you don't draw more money.

## ENTER THE “REPAYMENT PERIOD”

Whatever your payment arrangements during the draw period—whether you pay some, a little, or none of the principal amount of the loan—when the draw period ends you enter a repayment period. Your lender may set a schedule so that you repay the full amount, often over ten or 15 years.

Or, you may have to pay the entire balance owed, all at once, which might be a large amount called a **balloon payment** by refinancing it with the lender, getting a loan from another lender, or some other means. If you are unable to pay the balloon payment in full, you could lose your home.

## RENEW OR CLOSE OUT THE LINE OF CREDIT

At the end of the repayment period, your lender might encourage you to leave the line of credit open. This way you don't have to go through the cost and expense of a new loan, if you expect to borrow again. Be sure you understand if annual maintenance fees or other fees apply, even if you are not actively using the credit line.

## TIP

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If you sell your home, you are generally required to pay off your HELOC in full immediately. If you are likely to sell your home in the near future, consider whether or not to pay the up-front costs of setting up a line of credit.



### GET THREE HELOC ESTIMATES

*Shopping around lets you compare costs and features, so you can feel confident you're making the best choice for your situation.*

		OFFER A	OFFER B	OFFER C
Initiating the HELOC				
Credit limit	\$			
First transaction	\$			
Minimum transaction	\$			
Minimum balance	\$			
Fixed annual percentage rate	%			
Variable annual percentage rate	%			
» Index used and current value				
» Amount of margin				
» Frequency of rate adjustments				
» Amount/length of discount rate (if any)				
» Interest rate cap and floor				
Length of plan				
» Draw period				
» Repayment period				
Initial fees				
» Appraisal fee	\$			
» Application fee	\$			



### GET THREE HELOC ESTIMATES

Shopping around lets you compare costs and features, so you can feel confident you're making the best choice for your situation.

		OFFER A	OFFER B	OFFER C
» Up-front charges, including points	\$			
» Early termination fee	\$			
» Closing costs				
During the draw period				
» Interest and principal payments	\$			
» Interest-only payments?	\$			
» Fully amortizing payments	\$			
» Annual fee (if applicable)	\$			
» Transaction fee (if applicable)	\$			
» Inactivity fee	\$			
» Prepayment and other penalty fees	\$			
During the repayment period				
» Penalty for overpayments?				
» Fully amortizing payment amount?				
» Balloon repayment of full balance owed?				
» Renewal available?				
» Refinancing of balance by lender?				
» Conversion to fixed-term loan?				



## How variable interest rates work

Home equity lines of credit typically involve variable rather than fixed interest rates.

A variable interest rate generally has two parts: the index and the margin.

An **index** is a measure of interest rates generally that reflects trends in the overall economy. Different lenders use different indexes in their loans. Common indexes include the U.S. prime rate and the Constant Maturity Treasury (CMT) rate. Talk with your lender to find out more about the index they use.

The **margin** is an extra percentage that the lender adds to the index.

Lenders sometimes offer a temporarily discounted interest rate for home equity lines—an introductory or **teaser rate** that is unusually low for a short period, such as six months.

## Rights and responsibilities

Lenders are required to disclose the terms and costs of their home equity lines of credit. They need to tell you:

- Annual percentage rate (APR)
- Information about variable rates
- Payment terms
- Requirements on transactions, such as minimum draw amounts and number of draws allowed per year

- Annual fees
- Miscellaneous charges

You usually get these disclosures when you receive a loan application, and you get additional disclosures before the line of credit is opened. In general, the lender cannot charge a nonrefundable fee as part of your application until three days after you have received the disclosures.

If the lender changes the terms before the loan is made, you can decide not to go forward with it, and the lender must return all fees. There is one exception: the variable interest rate might change, and in that case if you decide not to go ahead with the loan, your fees are not refunded.

Lenders must give you a list of HUD-approved housing counselors in your area. You can talk to counselor about how HELOCs work and get free or low-cost help with budgeting and money management.

### **Right to cancel (also called right to rescind)**

If you change your mind for any reason, under federal law, you can cancel the credit line in the first three days. Notify the lender in writing within the first three days after the account was opened. The lender must then cancel the loan and return the fees you paid, including application and appraisal fees.

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### **TIP**

Some HELOCs let you convert some of your balance to a fixed interest rate. The fixed interest rate is typically higher than the variable rate, but it means more predictable payments.

## If something changes during the course of the loan

HELOCs generally permit the lender to freeze or reduce your credit line if the value of your home falls or if they see a change for the worse in your financial situation. If this happens, you can:

- **Talk with your lender.** Find out the reason for the freeze or reduction. You might need to check your credit reports for errors that might have caused a downgrade in your credit. Or, you might need to talk with your lender about a new appraisal on your home and make sure the lender agrees to accept a new appraisal as valid.
- **Shop for another line of credit.** If another lender offers you a line of credit, you may be able to use that to pay off your original line of credit. Application fees and other fees may apply for the new loan.



### WELL DONE!

For most people, a home is their most valuable asset. A HELOC can help you make the most of this asset, when you understand the ins and outs and know what to expect.

## In this booklet:

### **ASK YOURSELF**

Have I considered other sources of money and loans, besides a HELOC?

Have I shopped around for HELOC features and fees?

Am I comfortable with the worst-case scenario, where I could lose my home?

### **ONLINE TOOLS**

**CFPB website**  
[cfpb.gov](https://cfpb.gov)

**Answers to common questions**  
[cfpb.gov/askcfpb](https://cfpb.gov/askcfpb)

**Tools and resources for home buyers**  
[cfpb.gov/owning-a-home](https://cfpb.gov/owning-a-home)

**Talk to a HUD-approved housing counselor**  
[cfpb.gov/find-a-housing-counselor](https://cfpb.gov/find-a-housing-counselor)

**Submit a complaint**  
[cfpb.gov/complaint](https://cfpb.gov/complaint)

**PUBLIC INFORMATION NOTICE PURSUANT TO  
HAWAII REVISED STATUTES SECTION 667-41  
WHAT IS FORECLOSURE?**

This notice informs you regarding a lender's right to foreclose in the event of a default on the loan you have applied for or are considering if your home is used to secure its repayment.

The mortgage agreement or contract that you may enter into states that in the event the amounts due under the loan are not paid when they are due, or for other reasons you do not perform your promises in the note and mortgage, all of which are known as defaults, the lender shall have the option to foreclose the mortgage, which will result in a sale of your home.

The entity or person who holds your mortgage ("Mortgagee") may send you a notice informing you that the Mortgagee is starting foreclosure proceedings. You should not wait for that to happen; take steps to prevent a foreclosure as soon as you are having trouble paying your mortgage. You should contact your lender or your lender's loan servicer, or you may contact a budget and credit counselor or housing counselor, to discuss your situation.

**STEP ONE: NOTICE OF DEFAULT.** The first step in the foreclosure process is the Mortgagee usually sends you a written notice of default, which occurs after you are past due on your mortgage payment. The Mortgagee will tell you in the notice how much time you have to pay the required amount that is past due and, by paying, will return your loan to good standing.

**STEP TWO: PROCEEDING TO FORECLOSURE.** If you do not pay the required amount past due by the deadline in the notice of default, the Mortgagee may elect to proceed to collect the balance due on your loan through foreclosure. In Hawaii, there are two types of foreclosures: judicial and nonjudicial.

In a **JUDICIAL FORECLOSURE**, the Mortgagee files a lawsuit against you in order to obtain a court judgment that you owe the balance due under your loan and to obtain an order to sell the property. The initial legal document you will receive in the lawsuit is called the complaint. You should consult an attorney of your choice who can advise you as to the steps needed to protect your rights. Judicial foreclosure involves the sale of the mortgaged property under the supervision of the court. You will receive notice of the foreclosure case hearings and the sale date and the judicial decision is announced after a hearing in court. The sale of the property must be approved by the court before it can be completed.

In a **NONJUDICIAL FORECLOSURE**, the process follows the procedures spelled out in Chapter 667 of the Hawaii Revised Statutes and in your mortgage. The nonjudicial procedures allow a Mortgagee to foreclose on and sell the property identified in the mortgage without filing a lawsuit or court supervision. This nonjudicial foreclosure is also called a power of sale foreclosure. The Mortgagee starts the process by giving you a written notice of default and of the Mortgagee's intent to sell the property.

After the required time has elapsed, you will be sent a notice of nonjudicial foreclosure sale, which will tell you the date and location of the sale.

In a **NONJUDICIAL** foreclosure, if you own an interest in the property you may have the right to participate in the Mortgage Foreclosure Dispute Resolution Program or to convert the nonjudicial foreclosure into a judicial foreclosure. The non-judicial foreclosure may not proceed during the dispute resolution process or after it has been converted to a judicial foreclosure.

**PLEASE NOTE:** Even if a judicial or nonjudicial foreclosure has commenced, you may be able to reinstate the loan and keep your home if you pay the delinquent amount then due

and the foreclosure expenses that your Mortgagee has incurred. You must contact the Mortgagee as soon as possible to determine whether reinstatement is possible.

**STEP THREE: PUBLIC SALE.** The sale of a foreclosed home is usually made through a public auction, where the highest bidder who can make a cash deposit of up to 10% of the bid can buy the property. In a judicial foreclosure, the court appoints a third party commissioner to advertise and conduct the sale. In a nonjudicial foreclosure, the Mortgagee advertises and conducts the sale. In both types of sales, the Mortgagee has the right to buy the property by submitting a credit bid based upon the balance owed on the mortgage, so long as its bid is higher than any other bids. If the Mortgagee buys the property, the Mortgagee has the right to re-sell it in a private sale at a later date.

**STEP FOUR: DISBURSEMENT OF PROCEEDS; POTENTIAL DEFICIENCY JUDGMENT.** After the foreclosure sale is completed, the proceeds are paid out to lien holders, including the Mortgagee, in the order set by law and lastly to you if there are any proceeds left.

In a JUDICIAL FORECLOSURE, the court tells the commissioner whom to pay and how much. If the property did not sell for enough to pay off the balance due under your loan, the Mortgagee has the right to ask the court for a deficiency judgment against you for the difference.

In a NONJUDICIAL FORECLOSURE, the Mortgagee distributes the proceeds from the sale. If you are an owner-occupant, the law prohibits a deficiency judgment against you unless the debt is secured by other collateral.

**READ THE NOTE AND MORTGAGE CAREFULLY TO UNDERSTAND WHAT IS REQUIRED AND HOW TO AVOID FORECLOSURE, AND CONSULT WITH AN ATTORNEY REGARDING YOUR LEGAL RIGHTS.**

**FACTS****WHAT DOES AMERICAN SAVINGS BANK, F.S.B., DO WITH YOUR PERSONAL INFORMATION?****Why?**

Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.

**What?**

The types of personal information we collect and share depend on the product or service you have with us. This information can include:

- Social Security number and income
- Account balances and account transactions
- Payment history and wire transfer instructions

When you are *no longer* our customer, we continue to share your information as described in this notice.

**How?**

All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons American Savings Bank chooses to share; and whether you can limit this sharing.

Reasons we can share your personal information	Does American Savings Bank share?	Can you limit this sharing?
<b>For our everyday business purposes –</b> such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus	Yes	No
<b>For our marketing purposes –</b> to offer our products and services to you	Yes	No
<b>For joint marketing with other financial companies</b>	Yes	No
<b>For our affiliates' everyday business purposes –</b> information about your transactions and experiences	No	We don't share
<b>For our affiliates' everyday business purposes –</b> information about your creditworthiness	No	We don't share
<b>For nonaffiliates to market to you</b>	No	We don't share

**Questions?**

Call: (808) 627-6900 or toll-free at (800) 272-2566



**AMERICAN**  
Savings Bank

## Who we are

<b>Who is providing this notice?</b>	American Savings Bank, F.S.B.
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## What we do

<b>How does American Savings Bank protect my personal information?</b>	To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.
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<b>How does American Savings Bank collect my personal information?</b>	<p>We collect your personal information, for example, when you</p> <ul style="list-style-type: none"> <li>▪ Open an account or give us your income information</li> <li>▪ Apply for a loan or give us your contact information</li> <li>▪ Make deposits or withdrawals from your account</li> </ul> <p>We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.</p>
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<b>Why can't I limit all sharing?</b>	<p>Federal law gives you the right to limit only</p> <ul style="list-style-type: none"> <li>▪ Sharing for affiliates' everyday business purposes – information about your creditworthiness</li> <li>▪ Affiliates from using your information to market to you</li> <li>▪ Sharing for nonaffiliates to market to you</li> </ul> <p>State laws and individual companies may give you additional rights to limit sharing.</p>
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## Definitions

<b>Affiliates</b>	<p>Companies related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> <li>▪ <i>American Savings Bank does not share with our affiliates.</i></li> </ul>
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<b>Nonaffiliates</b>	<p>Companies not related by common ownership or control. They can be financial and nonfinancial companies.</p> <ul style="list-style-type: none"> <li>▪ <i>American Savings Bank does not share with nonaffiliates so they can market to you.</i></li> </ul>
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<b>Joint marketing</b>	<p>A formal agreement between nonaffiliated financial companies that together market financial products or services to you.</p> <ul style="list-style-type: none"> <li>▪ <i>Our joint marketing partners include insurance companies and financial services companies.</i></li> </ul>
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## HOMEOWNERSHIP COUNSELING NOTICE

Housing counseling agencies approved by the U.S. Department of Housing and Urban Development (HUD) can offer independent advice about whether a particular set of mortgage loan terms is a good fit based on your objectives and circumstances, often at little or no cost.

If you are interested in contacting a HUD-approved housing counseling agency in your area, you can visit the Consumer Financial Protection Bureau's (CFPB) website, [www.consumerfinance.gov/find-a-housing-counselor](http://www.consumerfinance.gov/find-a-housing-counselor), and enter your zip code.

You can also access HUD's housing counseling agency website via [www.consumerfinance.gov/mortgagehelp](http://www.consumerfinance.gov/mortgagehelp).

For additional assistance with locating a housing counseling agency, call the CFPB at 1-855-411-CFPB (2372).





## CONSUMER LOAN FEE SCHEDULE<sup>1</sup>

Effective April 1, 2024

### **FEES FOR ALL CONSUMER LOAN ACCOUNTS** (see below for other Product-specific fees that also apply)

Research Request	\$10 per half hour
Returned Item Fee	\$25 for each payment returned due to insufficient funds
Returned Mail Fee (per account)	\$5 per month
Statement Reconciliation <sup>2</sup>	\$10 per half hour
Stop Payment Fee <sup>2</sup>	\$30 per item

### **PRODUCT-SPECIFIC FEES FOR CONSUMER LOAN ACCOUNTS**

#### **CLEAN ENERGY LOAN**

Late Payment Fee	5% of the unpaid portion of the minimum amount due
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#### **EQUITY EXPRESS<sup>SM</sup> HOME EQUITY LINE OF CREDIT (HELOC) & FIXED RATE EQUITY LOAN OPTION (FRELO)**

Annual Fee <sup>3</sup>	\$50 (for HELOC applications submitted on or after April 1, 2021; fee will be assessed on your first periodic statement and annually thereafter during the draw period only)
Early Closing Fee <sup>3</sup>	\$500 (if your line is more than \$25,000 and you close it within 3 years of your Agreement Date; the fee is not charged if your line is (i) \$25,000 or less, (ii) you sell your home, or (iii) in the event of an American Savings Bank refinance)
FRELO Modification Fee	\$250 per modification request
Late Payment Fee	\$30 or 5% of the unpaid portion of the minimum amount due, whichever is less
Overlimit Fee <sup>3</sup>	\$29 per occurrence for inadvertently exceeding your line of credit limit amount
Release of Mortgage Fee <sup>3</sup>	\$41 - \$82 (includes fees paid to each public officer plus third-party handling fee)
Subordination Fee <sup>3</sup>	\$300 per request

#### **INSTALLMENT LOAN** (Personal Unsecured Loan (PUL) & Savings Secured Loan)

Late Payment Fee	5% of the unpaid portion of the minimum amount due
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#### **PERSONAL LINE OF CREDIT (PLOC)**

These fees apply to PLOC accounts existing before 1/15/24. New PLOC accounts are not available effective 1/15/24.

Annual Fee	\$25 (assessed annually for years 2 and 3)
Late Payment Fee	\$26 or 5% of the unpaid portion of the minimum amount due, whichever is less

#### **PREFERRED CREDITLINE<sup>SM</sup> (PCL)**

Annual Fee	\$25 (assessed on your first periodic statement and annually thereafter)
Late Payment Fee	5% of the unpaid portion of the minimum amount due
Overlimit Fee	\$29 per occurrence for inadvertently exceeding your line of credit limit amount

1 Subject to applicable notice regulations, bank may amend this fee schedule at any time at its sole discretion.

2 Fee not applicable to Clean Energy Loan.

3 Fee not applicable to FRELO.



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**ADDENDUM TO IMPORTANT TERMS of our  
HOME EQUITY LINE OF CREDIT (Equity Express Account)  
24-Month Interest Rate Promotion**

American Savings Bank is offering a twenty-four-month (24) promotional rate of interest to approved applicants who: (i) submit their application for a new Equity Express account between April 16, 2025 and May 15, 2025, (ii) hold title to Hawaii property in fee simple, (iii) fund their loan by June 15, 2025, and (iv) establish automatic payment from an American Savings Bank checking account for Equity Express account. If you have not closed your loan and a new promotion begins with a different rate, you may opt for the new promotion. This offer is not available to anyone with any American Savings Bank Home Equity Line of Credit that was not closed prior to October 15, 2024, and may not be used to pay down or pay off any existing American Savings Bank Home Equity Line of Credit and is subject to change or discontinuance without notice. If the applicants meet the foregoing conditions, then the following applies:

**FIXED RATE AND DAILY PERIODIC RATE DURING THE FIRST Twenty-Four (24) MONTHS**

Your Equity Express will feature a fixed rate of interest from the day the loan is funded through the end of the statement cycle after twenty-four (24) months. If you select this option and if you set-up an automatic payment from an ASB personal checking account, the ANNUAL PERCENTAGE RATE for the initial 24-months of your account will be discounted to 5.65% APR, which is an initial daily periodic rate of 0.01548% (subject to minor variations due to rounding). This will replace the APR, minimum and maximum payment stated in the Important Terms of our Home Equity Line of Credit for the initial 24-months.

**Equity Express:**

**Minimum Payment Example:**

If you made only the minimum payments and took no other credit advances, it would take thirty years to pay off a credit advance of \$10,000.00 at a discounted ANNUAL PERCENTAGE RATE of 5.65% for 24 months and 336 months at 7.50%. Because the line of credit has a draw period of ten years plus a repayment period of twenty years, if your line was not renewed or extended and you make the minimum payments, you would make 120 monthly payments of \$47.08 to \$62.50 during the draw period, followed by 240 monthly principal and interest payments of \$41.93 to \$105.10. An increase in the ANNUAL PERCENTAGE RATE may increase the amount of your monthly payment. Monthly payments are approximations and vary due to minor variations in rounding.

**Maximum Rate and Payment Example:**

If you had an outstanding balance of \$10,000.00, at a discounted ANNUAL PERCENTAGE RATE of 5.65% for 24 months and 336 months at the maximum ANNUAL PERCENTAGE RATE of 18.00%, your monthly payments would be \$48.25 to \$150.00 during the draw period, followed by 240 monthly principal plus interest payments ranging from \$42.30 to \$193.91. The maximum annual percentage rate of 18.00% could be reached during the first month after the discount rate expires.

## Historical Example:

Payments during the first ten years are interest only (during draw period) while payments during years eleven to thirty are principal plus interest payments (during the repayment period).

Year	Index (%)	Margin*	Annual Percentage Rate (%)	Minimum Monthly Payment (\$)	Maximum Monthly Payment (\$)
Draw Period					
2010	3.25%	1.00%	<b>5.89%***</b>	\$46.80	\$50.02
2011	3.25%	1.00%	<b>5.89%***</b>	\$45.18	\$50.02
2012	3.25%	1.00%	<b>4.50%**</b>	\$34.52	\$38.22
2013	3.25%	1.00%	<b>4.50%**</b>	\$34.52	\$38.22
2014	3.25%	1.00%	<b>4.50%**</b>	\$35.75	\$38.22
2015	3.25%	1.00%	<b>4.50%**</b>	\$34.52	\$38.22
2016	3.50%	1.00%	<b>4.50%</b>	\$34.52	\$38.22
2017	4.00%	1.00%	<b>5.00%</b>	\$38.36	\$42.47
2018	4.75%	1.00%	<b>5.75%</b>	\$44.11	\$48.84
2019	5.50%	1.00%	<b>6.50%</b>	\$49.86	\$55.21
Repayment Period					
2020	3.25%	1.00%	<b>4.50%**</b>	\$75.04	\$79.73
2021	3.25%	1.00%	<b>4.50%**</b>	\$73.31	\$77.82
2022	4.00%	1.00%	<b>5.00%</b>	\$76.10	\$79.71
2023	8.25%	1.00%	<b>9.25%</b>	\$99.62	\$108.12
2024	8.50%	1.00%	<b>9.50%</b>	\$97.54	\$105.88
<small>* This is a margin we have used recently. ** This APR is the minimum for the plan. *** This is a discounted APR.</small>					

## Equity Express Total Line of Credit: Minimum Payment Example

If you made only the minimum payments and took no other credit advances, it would take thirty years to pay off a credit advance of \$10,000.00 at a discounted ANNUAL PERCENTAGE RATE of 5.65% for 24 months and 336 months at 7.50%. Because the line of credit has a draw period of ten years plus a repayment period of twenty years, if your line was not renewed or extended and you make the minimum payments, you would make 120 monthly payments of \$64.96 to \$82.40 during the draw period, followed by 240 monthly principal and interest payments of \$31.05 to \$77.83. An increase in the ANNUAL PERCENTAGE RATE may increase the amount of your monthly payment. Monthly payments are approximations and vary due to minor variations in rounding.

## Maximum Rate and Payment Example:

If you had an outstanding balance of \$10,000.00, at a discounted ANNUAL PERCENTAGE RATE of 5.65% for 24 months and 336 months at the maximum ANNUAL PERCENTAGE RATE of 18.00%, your monthly payments would be \$68.05 to \$164.80 during the draw period, followed by 240 monthly principal plus interest payments ranging from \$31.33 to \$143.60. The maximum annual percentage rate of 18.00% could be reached during the first month after the discount rate expires.

### Historical Example:

Payments during the first ten years are 0.25% of the outstanding balance plus accrued interest (during draw period) while payments during years eleven to thirty are principal plus interest payments (during the repayment period).

Year	Index (%)	Margin* (%)	Annual Percentage Rate (%)	Minimum Monthly Payment (\$)	Maximum Monthly Payment (\$)
Draw Period					
2010	3.25%	1.00%	<b>5.89%***</b>	\$70.37	\$74.84
2011	3.25%	1.00%	<b>5.89%***</b>	\$66.76	\$72.62
2012	3.25%	1.00%	<b>4.50%**</b>	\$54.94	\$59.38
2013	3.25%	1.00%	<b>4.50%**</b>	\$53.31	\$57.63
2014	3.25%	1.00%	<b>4.50%**</b>	\$52.81	\$55.92
2015	3.25%	1.00%	<b>4.50%**</b>	\$50.20	\$54.27
2016	3.50%	1.00%	<b>4.50%**</b>	\$48.72	\$52.66
2017	4.00%	1.00%	<b>5.00%</b>	\$50.32	\$56.82
2018	4.75%	1.00%	<b>5.75%</b>	\$54.48	\$57.92
2019	5.50%	1.00%	<b>6.50%</b>	\$56.00	\$61.05
Repayment Period					
2020	3.25%	1.00%	<b>4.50%**</b>	\$55.57	\$59.04
2021	3.25%	1.00%	<b>4.50%**</b>	\$54.29	\$57.63
2022	4.00%	1.00%	<b>5.00%</b>	\$56.35	\$59.03
2023	8.25%	1.00%	<b>9.25%</b>	\$73.77	\$80.06
2024	8.50%	1.00%	<b>9.50%</b>	\$72.23	\$78.41
<small>* This is a margin we have used recently. ** This APR is the minimum for the plan. *** This is a discounted APR.</small>					

After month twenty-four (24), the terms and conditions of your Equity Express will revert to those in the Agreement as if it was not modified by this Addendum.