

HOME EQUITY LOAN DISCLOSURE

State Farm Bank, F.S.B.
NMLS Company ID 139716
One State Farm Plaza
Bloomington, IL 61710

Home Equity Loan (HELON)

A fixed rate and payment home equity loan is secured by the borrower's primary residence.

- Fixed rate and principal and interest payment for term of loan
- Interest rate and maximum combined loan to value (CLTV) up to 80% based on customer's credit score, loan amount, repayment term and may vary by state.
- Minimum monthly payment amount \$100.
- Rates are subject to change without notice.

Features/Advantages

- Minimum loan amount is \$10,000
- Maximum loan amount is \$500,000
- State Farm Bank will pay mortgage, intangible, stamp and similar taxes (such taxes are charged in AL, FL, GA, KS, LA (select Parishes), MD, MN, OK, NY, TN and VA) up to a maximum amount of \$200. Borrowers are required to pay the remainder at the time the account is established. The amount of taxes are generally based on a percentage of the total loan amount, depending on the state or locality.
- An "Early Closure Fee" will be assessed when a loan is paid in full and the line of credit is closed within the first three years. State Farm Bank will recapture up to \$500 of bona fide third party fees originally absorbed by the Bank at loan origination.
- 2nd liens are only allowed behind a State Farm Bank 1st lien.
- Home Equity Loans in first lien position on a primary residence will be required to establish an escrow account for a minimum of 5 years to collect property taxes, property insurance and flood insurance (if applicable).
- Interest may be tax deductible. Consult with a tax advisor regarding the deductibility of interest.