WECU

ADJUSTABLE RATE MORTGAGE DISCLOSURES
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ADJUSTABLE RATE MORTGAGE DISCLOSURE

(This is neither a contract nor a commitment to lend.)

LENDER:
Whatcom Educational Credit Union
600 E. Holly St., PO Box 9750
Bellingham, WA 98227-9750

ADJUSTABLE RATE MORTGAGE (ARM) PROGRAM: 3 Year Fixed Term adjusting biannually after the first 3 years based on the 30-day Average SOFR rate. (Based on product availability.)

This disclosure describes the features of the adjustable-rate mortgage (ARM) program you are considering. Information on other ARM programs is available on request. You should carefully read this disclosure; the promissory note, deed of trust or mortgage; any riders; and all other documents that you will be asked to sign if you accept an ARM loan.

ADJUSTABLE RATE MORTGAGE MEANS YOUR PAYMENT MAY CHANGE IN THE FUTURE. You are applying for an Adjustable Rate Mortgage (ARM) loan. This means that your interest rate and monthly payments may change during the life of your loan. Your monthly payments will increase if the interest rate rises and decrease if it falls. This ARM is based on the terms and conditions set forth in this disclosure and in the loan documents. We have based this disclosure on recent interest rates, index and margin values, discounts, and fees. Ask us for our current interest rate, margin, and any applicable discount.

An ARM is different from a fixed-rate mortgage loan. For a fixed-rate loan, the monthly payments of principal and interest do not change during the life of the loan. You should consider carefully which type of loan is best for you.

HOW YOUR INTEREST RATE AND PAYMENT ARE DETERMINED.

- After the first 36 months, your interest rate will be based on an index plus a margin, as further described below.
- Your payment will be based on the interest rate, loan balance, and loan term.
- The interest rate will be based on an index (referred to in this disclosure as the “Index”). The Index is a benchmark known as the **30-day Average SOFR** index, as published by the Federal Reserve Bank of New York.
    - Information about the index is published on the Federal Reserve Bank of New York’s website at SOFR Averages and Index Data - FEDERAL RESERVE BANK of NEW YORK
    - Your interest rate is based on the Index value plus a margin, rounded to the nearest .125 percent, unless a “cap” specified in your loan documents limits the amount of the change in the interest rate.
    - Your initial interest rate will be discounted and will not be based on the Index used to make later adjustments. Because your initial interest rate will be discounted, your interest rate may increase on the first Change Date even if the Index remains the same or decreases. Ask us for the amount of the current interest rate discount.

HOW YOUR INTEREST RATE CAN CHANGE

- Your interest rate under this ARM can change after 36 month(s) and every **6** months thereafter.
- Your interest rate cannot increase or decrease more than 2 percentage points at first adjustment and 1 percentage points per subsequent adjustment from the initial interest rate excluding any buydown. Your interest rate will never be greater than 5 percentage points above the initial interest rate or lower than the margin.

HOW YOUR PAYMENT CAN CHANGE

- Your monthly payment will be adjusted with each interest rate change to amortize the balance over the remaining loan term.
- The following example (worst case scenario) shows how a maximum increase in the interest rate would affect your payment.

EXAMPLE: On a $10,000, 30-year loan with an initial interest rate of 6.125% in effect January 2025, the maximum amount that the interest rate can rise under this program is 5.000 percentage points, to 11.125%, and the monthly payment can rise from a first-year payment of $60.76 to a maximum of $93.48 in the 55th month.

To see what your payments would be, divide your mortgage amount by $10,000; then multiply the monthly payment by that amount. (For example, the monthly payment for a mortgage amount of $100,000.00 would be $100,000.00 / $10,000=10; 10 x $60.76 = $607.60 per month.)

Adjustment Notices. The Credit Union will notify you at least 210 but no more than 240 days before the first payment at the adjusted level is due after the initial interest rate adjustment. The notice will contain information about your interest rates (if available), payment, and balance.

The Credit Union will notify you at least 60 but no more than 120 days before the first payment at the adjusted level is due after the initial interest rate adjustment. The notice will contain information about the adjustment, your interest rate, payment, and balance.

ADJUSTABLE RATE MORTGAGE DISCLOSURE

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LENDER:
Whatcom Educational Credit Union
600 E. Holly St., PO Box 9750
Bellingham, WA 98227-9750

ADJUSTABLE RATE MORTGAGE (ARM) PROGRAM: 5 Year Fixed Term adjusting biannually after the first 5 years based on the 30 Day Average SOFR rate. (Based on product availability.)

This disclosure describes the features of the adjustable-rate mortgage (ARM) program you are considering. Information on other ARM programs is available on request. You should carefully read this disclosure; the promissory note, deed of trust or mortgage; any riders; and all other documents that you will be asked to sign if you accept an ARM loan

ADJUSTABLE RATE MORTGAGE MEANS YOUR PAYMENT MAY CHANGE IN THE FUTURE. You are applying for an Adjustable Rate Mortgage (ARM) loan. This means that your interest rate and monthly payments may change during the life of your loan. Your monthly payments will increase if the interest rate rises and decrease if it falls. This ARM is based on the terms and conditions set forth in this disclosure and in the loan documents. We have based this disclosure on recent interest rates, index and margin values, discounts, and fees. Ask us for our current interest rate, margin, and any applicable discount.

An ARM is different from a fixed-rate mortgage loan. For a fixed-rate loan, the monthly payments of principal and interest do not change during the life of the loan. You should consider carefully which type of loan is best for you.

HOW YOUR INTEREST RATE AND PAYMENT ARE DETERMINED

- After the first 60 months, your interest rate will be based on an index plus a margin, as further described below.
- Your payment will be based on the interest rate, loan balance and loan term.
- The interest rate will be based on an index (referred to in this disclosure as the “Index”). The Index is a benchmark known as the **30-day Average SOFR** index, as published by the Federal Reserve Bank of New York.
    - Information about the index is published on the Federal Reserve Bank of New York’s website at SOFR Averages and Index Data - FEDERAL RESERVE BANK of NEW YORK
    - Your interest rate is based on the Index value plus a margin, rounded to the nearest .125 percent, unless a “cap” specified in your loan documents limits the amount of the change in the interest rate.
    - Your initial interest rate will be discounted and will not be based on the Index used to make later adjustments. Because your initial interest rate will be discounted, your interest rate may increase on the first Change Date even if the Index remains the same or decreases. Ask us for the amount of the current interest rate discount.

HOW YOUR INTEREST RATE CAN CHANGE

- Your interest rate under this ARM can change after 60 month(s) and every **6** months thereafter.
- Your interest rate cannot increase or decrease more than 2 percentage points at first adjustment and 1 percentage points per subsequent adjustment from the initial interest rate excluding any buydown. Your interest rate will never be greater than 5 percentage points above the initial interest rate or lower than the margin.

HOW YOUR PAYMENT CAN CHANGE

- Your monthly payment will be adjusted with each interest rate change to amortize the balance over the remaining loan term.
- The following example (worst case scenario) shows how a maximum increase in the interest rate would affect your payment.

EXAMPLE: On a $10,000, 30-year loan with an initial interest rate of 6.625% in effect January 2025, the maximum amount that the interest rate can rise under this program is 5.000 percentage points, to 11.625%, and the monthly payment can rise from a first-year payment of $64.03 to a maximum of $95.72 in the 79th month.

To see what your payments would be, divide your mortgage amount by $10,000; then multiply the monthly payment by that amount. (For example, the monthly payment for a mortgage amount of $100,000.00 would be $100,000.00 / $10,000=10; 10 x $64.03 = $640.30 per month.)

Adjustment Notices. The Credit Union will notify you at least 210 but no more than 240 days before the first payment at the adjusted level is due after the initial interest rate adjustment. The notice will contain information about your interest rates (if available), payment, and balance.

The Credit Union will notify you at least 60 but no more than 120 days before the first payment at the adjusted level is due after the initial interest rate adjustment. The notice will contain information about the adjustment, your interest rate, payment, and balance.

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LENDER:
Whatcom Educational Credit Union
600 E. Holly St., PO Box 9750
Bellingham, WA 98227-9750

ADJUSTABLE RATE MORTGAGE (ARM) PROGRAM: 7 Year Fixed Term adjusting biannually after the first 7 years based on the 30-day Average SOFR rate. (Based on product availability.)

This disclosure describes the features of the adjustable-rate mortgage (ARM) program you are considering. Information on other ARM programs is available on request. You should carefully read this disclosure; the promissory note, deed of trust or mortgage; any riders; and all other documents that you will be asked to sign if you accept an ARM loan.

ADJUSTABLE RATE MORTGAGE MEANS YOUR PAYMENT MAY CHANGE IN THE FUTURE. You are applying for an Adjustable Rate Mortgage (ARM) loan. This means that your interest rate and monthly payments may change during the life of your loan. Your monthly payments will increase if the interest rate rises and decrease if it falls. This ARM is based on the terms and conditions set forth in this disclosure and in the loan documents. We have based this disclosure on recent interest rates, index and margin values, discounts, and fees. Ask us for our current interest rate, margin, and any applicable discount.

An ARM is different from a fixed-rate mortgage loan. For a fixed-rate loan, the monthly payments of principal and interest do not change during the life of the loan. You should consider carefully which type of loan is best for you.

HOW YOUR INTEREST RATE AND PAYMENT ARE DETERMINED.

- After the first 84 months, your interest rate will be based on an index plus a margin, as further described below.
- Your payment will be based on the interest rate, loan balance, and loan term.
- The interest rate will be based on an index (referred to in this disclosure as the “Index”). The Index is a benchmark known as the **30-day Average SOFR** index, as published by the Federal Reserve Bank of New York.
    - Information about the index is published on the Federal Reserve Bank of New York’s website at SOFR Averages and Index Data - FEDERAL RESERVE BANK of NEW YORK
    - Your interest rate is based on the Index value plus a margin, rounded to the nearest .125 percent, unless a “cap” specified in your loan documents limits the amount of the change in the interest rate.
    - Your initial interest rate will be discounted and will not be based on the Index used to make later adjustments. Because your initial interest rate will be discounted, your interest rate may increase on the first Change Date even if the Index remains the same or decreases. Ask us for the amount of the current interest rate discount.

HOW YOUR INTEREST RATE CAN CHANGE

- Your interest rate under this ARM can change after 84 month(s) and every **6** months thereafter.
- Your interest rate cannot increase or decrease more than 5 percentage points at first adjustment and 1 percentage points per subsequent adjustment from the initial interest rate excluding any buydown. Your interest rate will never be greater than 5 percentage points above the initial interest rate or lower than the margin.

HOW YOUR PAYMENT CAN CHANGE

- Your monthly payment will be adjusted with each interest rate change to amortize the balance over the remaining loan term.
- The following example (worst case scenario) shows how a maximum increase in the interest rate would affect your payment.

EXAMPLE: On a $10,000, 30-year loan with an initial interest rate of 6.625% in effect January 2025, the maximum amount that the interest rate can rise under this program is 5.000 percentage points, to 11.625%, and the monthly payment can rise from a first-year payment of $64.03 to a maximum of $94.37 in the 85th month.

To see what your payments would be, divide your mortgage amount by $10,000; then multiply the monthly payment by that amount. (For example, the monthly payment for a mortgage amount of $100,000.00 would be $100,000.00 / $10,000=10; 10 x $64.03 = $640.30 per month.)

Adjustment Notices. The Credit Union will notify you at least 210 but no more than 240 days before the first payment at the adjusted level is due after the initial interest rate adjustment. The notice will contain information about your interest rates (if available), payment, and balance.

The Credit Union will notify you at least 60 but no more than 120 days before the first payment at the adjusted level is due after the initial interest rate adjustment. The notice will contain information about the adjustment, your interest rate, payment, and balance.

ADJUSTABLE RATE MORTGAGE DISCLOSURE

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LENDER:
Whatcom Educational Credit Union
600 E. Holly St., PO Box 9750
Bellingham, WA 98227-9750

ADJUSTABLE RATE MORTGAGE (ARM) PROGRAM: 10 Year Fixed Term adjusting biannually after the first 10 years based on the 30-day Average SOFR rate. (Based on product availability.)

This disclosure describes the features of the adjustable-rate mortgage (ARM) program you are considering. Information on other ARM programs is available on request. You should carefully read this disclosure; the promissory note, deed of trust or mortgage; any riders; and all other documents that you will be asked to sign if you accept an ARM loan.

ADJUSTABLE RATE MORTGAGE MEANS YOUR PAYMENT MAY CHANGE IN THE FUTURE. You are applying for an Adjustable Rate Mortgage (ARM) loan. This means that your interest rate and monthly payments may change during the life of your loan. Your monthly payments will increase if the interest rate rises and decrease if it falls. This ARM is based on the terms and conditions set forth in this disclosure and in the loan documents. We have based this disclosure on recent interest rates, index and margin values, discounts, and fees. Ask us for our current interest rate, margin, and any applicable discount.

An ARM is different from a fixed-rate mortgage loan. For a fixed-rate loan, the monthly payments of principal and interest do not change during the life of the loan. You should consider carefully which type of loan is best for you.

HOW YOUR INTEREST RATE AND PAYMENT ARE DETERMINED.

- After the first 120 months, your interest rate will be based on an index plus a margin, as further described below.
- Your payment will be based on the interest rate, loan balance, and loan term.
- The interest rate will be based on an index (referred to in this disclosure as the "Index"). The Index is a benchmark known as the **30-day Average SOFR** index, as published by the Federal Reserve Bank of New York.
  - Information about the index is published on the Federal Reserve Bank of New York's website at SOFR Averages and Index Data - FEDERAL RESERVE BANK of NEW YORK
  - Your interest rate is based on the Index value plus a margin, rounded to the nearest .125 percent, unless a "cap" specified in your loan documents limits the amount of the change in the interest rate.
  - Your initial interest rate will be discounted and will not be based on the Index used to make later adjustments. Because your initial interest rate will be discounted, your interest rate may increase on the first Change Date even if the Index remains the same or decreases. Ask us for the amount of the current interest rate discount.

HOW YOUR INTEREST RATE CAN CHANGE

- Your interest rate under this ARM can change after 120 month(s) and every **6** months thereafter.
- Your interest rate cannot increase or decrease more than 5 percentage points at first adjustment and 1 percentage points per subsequent adjustment from the initial interest rate excluding any buydown. Your interest rate will never be greater than 5 percentage points above the initial interest rate or lower than the margin.

HOW YOUR PAYMENT CAN CHANGE

- Your monthly payment will be adjusted with each interest rate change to amortize the balance over the remaining loan term.
- The following example (worst case scenario) shows how a maximum increase in the interest rate would affect your payment.

EXAMPLE: On a $10,000, 30-year loan with an initial interest rate of 6.625% in effect January 2025, the maximum amount that the interest rate can rise under this program is 5.000 percentage points, to 11.625%, and the monthly payment can rise from a first-year payment of $64.03 to a maximum of $91.42 in the 121st month.

To see what your payments would be, divide your mortgage amount by $10,000; then multiply the monthly payment by that amount. (For example, the monthly payment for a mortgage amount of $100,000.00 would be $100,000.00 / $10,000=10; 10 x $64.03 = $640.30 per month.)

Adjustment Notices. The Credit Union will notify you at least 210 but no more than 240 days before the first payment at the adjusted level is due after the initial interest rate adjustment. The notice will contain information about your interest rates (if available), payment, and balance.

The Credit Union will notify you at least 60 but no more than 120 days before the first payment at the adjusted level is due after the initial interest rate adjustment. The notice will contain information about the adjustment, your interest rate, payment, and balance.

ADJUSTABLE RATE MORTGAGE DISCLOSURE

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LENDER:
Whatcom Educational Credit Union
600 E. Holly St., PO Box 9750
Bellingham, WA 98227-9750

ADJUSTABLE RATE MORTGAGE (ARM) PROGRAM: 3 Year Fixed Term adjusting triennially after the first 3

years based on the 30-day Average SOFR rate. (Based on product availability.)

This disclosure describes the features of the adjustable-rate mortgage (ARM) program you are considering. Information on other ARM programs is available on request. You should carefully read this disclosure; the promissory note, deed of trust or mortgage; any riders; and all other documents that you will be asked to sign if you accept an ARM loan.

ADJUSTABLE RATE MORTGAGE MEANS YOUR PAYMENT MAY CHANGE IN THE FUTURE. You are applying for an Adjustable Rate Mortgage (ARM) loan. This means that your interest rate and monthly payments may change during the life of your loan. Your monthly payments will increase if the interest rate rises and decrease if it falls. This ARM is based on the terms and conditions set forth in this disclosure and in the loan documents. We have based this disclosure on recent interest rates, index and margin values, discounts, and fees. Ask us for our current interest rate, margin, and any applicable discount.

An ARM is different from a fixed-rate mortgage loan. For a fixed-rate loan, the monthly payments of principal and interest do not change during the life of the loan. You should consider carefully which type of loan is best for you.

HOW YOUR INTEREST RATE AND PAYMENT ARE DETERMINED.

- After the first 36 months, your interest rate will be based on an index plus a margin, as further described below.
- Your payment will be based on the interest rate, loan balance, and loan term.
- The interest rate will be based on an index (referred to in this disclosure as the “Index”). The Index is a benchmark known as the **30-day Average SOFR** index, as published by the Federal Reserve Bank of New York.
  - Information about the index is published on the Federal Reserve Bank of New York’s website at SOFR Averages and Index Data - FEDERAL RESERVE BANK of NEW YORK
  - Your interest rate is based on the Index value plus a margin, rounded to the nearest .125 percent, unless a “cap” specified in your loan documents limits the amount of the change in the interest rate.
  - Your initial interest rate will be discounted and will not be based on the Index used to make later adjustments. Because your initial interest rate will be discounted, your interest rate may increase on the first Change Date even if the Index remains the same or decreases. Ask us for the amount of the current interest rate discount.

HOW YOUR INTEREST RATE CAN CHANGE

- Your interest rate under this ARM can change after 36 month(s) and every 36 months thereafter.
- Your interest rate cannot increase or decrease more than 2 percentage points at first adjustment and 2 percentage points per subsequent adjustment from the initial interest rate excluding any buydown. Your interest rate will never be greater than 5 percentage points above the initial interest rate or lower than the margin.

HOW YOUR PAYMENT CAN CHANGE

- Your monthly payment will be adjusted with each interest rate change to amortize the balance over the remaining loan term.
- The following example (worst case scenario) shows how a maximum increase in the interest rate would affect your payment.

EXAMPLE: On a $10,000, 30-year loan with an initial interest rate of 6.125% in effect January 2025, the maximum amount that the interest rate can rise under this program is 6.000 percentage points, to 12.125%, and the monthly payment can rise from a first-year payment of $60.76 to a maximum of $98.37 in the 109th month.

To see what your payments would be, divide your mortgage amount by $10,000; then multiply the monthly payment by that amount. (For example, the monthly payment for a mortgage amount of $100,000.00 would be $100,000.00 / $10,000=10; 10 x $60.76 = $607.60 per month.)

Adjustment Notices. The Credit Union will notify you at least 210 but no more than 240 days before the first payment at the adjusted level is due after the initial interest rate adjustment. The notice will contain information about your interest rates (if available), payment, and balance.

The Credit Union will notify you at least 60 but no more than 120 days before the first payment at the adjusted level is due after the initial interest rate adjustment. The notice will contain information about the adjustment, your interest rate, payment, and balance.

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LENDER:
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600 E. Holly St., PO Box 9750
Bellingham, WA 98227-9750

ADJUSTABLE RATE MORTGAGE (ARM) PROGRAM: 5 Year Fixed Term adjusting quinquennially after the first 5 years based on the 30-day Average SOFR rate. (Based on product availability.)

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ADJUSTABLE RATE MORTGAGE MEANS YOUR PAYMENT MAY CHANGE IN THE FUTURE. You are applying for an Adjustable Rate Mortgage (ARM) loan. This means that your interest rate and monthly payments may change during the life of your loan. Your monthly payments will increase if the interest rate rises and decrease if it falls. This ARM is based on the terms and conditions set forth in this disclosure and in the loan documents. We have based this disclosure on recent interest rates, index and margin values, discounts, and fees. Ask us for our current interest rate, margin, and any applicable discount.

An ARM is different from a fixed-rate mortgage loan. For a fixed-rate loan, the monthly payments of principal and interest do not change during the life of the loan. You should consider carefully which type of loan is best for you.

HOW YOUR INTEREST RATE AND PAYMENT ARE DETERMINED.

- After the first 60 months, your interest rate will be based on an index plus a margin, as further described below.
- Your payment will be based on the interest rate, loan balance, and loan term.
- The interest rate will be based on an index (referred to in this disclosure as the “Index”). The Index is a benchmark known as the **30-day Average SOFR** index, as published by the Federal Reserve Bank of New York.
    - Information about the index is published on the Federal Reserve Bank of New York’s website at SOFR Averages and Index Data - FEDERAL RESERVE BANK of NEW YORK
    - Your interest rate is based on the Index value plus a margin, rounded to the nearest .125 percent, unless a “cap” specified in your loan documents limits the amount of the change in the interest rate.
    - Your initial interest rate will be discounted and will not be based on the Index used to make later adjustments. Because your initial interest rate will be discounted, your interest rate may increase on the first Change Date even if the Index remains the same or decreases. Ask us for the amount of the current interest rate discount.

HOW YOUR INTEREST RATE CAN CHANGE

- Your interest rate under this ARM can change after 60 month(s) and every 60 months thereafter.
- Your interest rate cannot increase or decrease more than 2 percentage points at first adjustment and 2 percentage points per subsequent adjustment from the initial interest rate excluding any buydown. Your interest rate will never be greater than 5 percentage points above the initial interest rate or lower than the margin.

HOW YOUR PAYMENT CAN CHANGE

- Your monthly payment will be adjusted with each interest rate change to amortize the balance over the remaining loan term.
- The following example (worst case scenario) shows how a maximum increase in the interest rate affect your payment.

EXAMPLE: On a $10,000, 30-year loan with an initial interest rate of 6.625% in effect January 2025, the maximum amount that the interest rate can rise under this program is 5.000 percentage points, to 11.625%, and the monthly payment can rise from a first-year payment of $64.03 to a maximum of $92.65 in the 181st month.

To see what your payments would be, divide your mortgage amount by $10,000; then multiply the monthly payment by that amount. (For example, the monthly payment for a mortgage amount of $100,000.00 would be $100,000.00 / $10,000=10; 10 x $64.03 = $640.30 per month.)

Adjustment Notices. The Credit Union will notify you at least 210 but no more than 240 days before the first payment at the adjusted level is due after the initial interest rate adjustment. The notice will contain information about your interest rates (if available), payment, and balance.

The Credit Union will notify you at least 60 but no more than 120 days before the first payment at the adjusted level is due after the initial interest rate adjustment. The notice will contain information about the adjustment, your interest rate, payment, and balance.