

MUTUAL SAVINGS & LOAN ASSOCIATION
12 MONTH CONSTRUCTION PERMANET LOANS
FOR INFORMATIONAL PURPOSES ONLY

1A. The construction loan interest rate shall accrue at the rate chosen in 1B until the Date of Conversion as defined in 1B. Interest only shall be paid monthly until the Date of Conversion, no later than the tenth of the month following the billing period.

1B. Construction Financing (Initial One):

1. (_____) 2.95% and the Date of Conversion is no later than the Fifth day following the day of final inspection, provided, however, that the Date of Conversion shall not be later than 12 months from the date of closing. (To be used with 2A)

2. (_____) **% and the Date of Conversion is no later than the Fifth day following the day of final inspection, provided, however, that the Date of Conversion shall not be later than 12 months from the date of closing. The Permanent Financing will remain at the same rate as the construction rate. (To be used with 2B)

1C. Should Borrower be unable to complete construction by this date, the loan will be placed into permanent financing.

2. Permanent Financing (Initial One):

(_____)A. Beginning on the Date of Conversion and thereafter for the entire term of the Permanent Loan Term, the permanent loan interest rate shall accrue at a rate equal to the rate of 3/8 of 1% (.375%) above the 60 day forward commitment rate quoted by Federal National Mortgage Association (FNMA) 5 days before the Date of Conversion for a fixed rate loan rounded to the nearest 1/8% (.125), with a term equal to the Permanent loan term, provided, however, that such rate shall not be lower than 4.00% or exceed 6.50%.

(_____)B. In consideration of the construction rate of ** for a 12 month construction period, the permanent loan interest rate shall be **% for a term of _____years, beginning on the Date of Conversion as defined in 1c above.

3a. A Builders Risk insurance policy to be furnished at time of loan closing.

3b. A Workmen's Comp. and General Liability insurance policy to be furnished at time of loan closing.

3c. Flood Insurance will be required prior to making the second draw from the construction loan.

3d. Mutual Savings & Loan Association Inspector to be notified once the slab/foundation has been completed.

ACCEPTED:

Signature

Date

Signature

Date

** Will be the interest rate available at the time of application. All rates are subject to change at any time without notice.