

Credit Union 1 Closing Guarantee Terms and Conditions

(NMLS #537375)



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Credit Union 1

Eligibility:

Credit Union 1 (“CU1”) is offering qualified members a Closing Guarantee in the amount of \$2,500.00 if their mortgage loan (as defined below) does not close on time (as defined below), pursuant to the following eligibility requirements and limitations (the “Guarantee”):

The following requirements must be met: (1) Apply for a first lien purchase home loan with Credit Union 1; and (2) Provide a complete application package, which includes all requested supporting documentation and signed disclosures, and a fully-executed purchase contract with all pages. (3) Conventional Loans: Closing date must be at least 30 calendar days after receipt of a complete application package, except for a condominium project which requires 45 calendar days. For any property that receives an initial appraisal subject to repairs/completion, a final inspection is required. Credit Union 1 guarantees closing within 5 business days of receipt of a satisfactory final inspection. (4) VA loans: Closing date must be at least 45 calendar days after receipt of a complete application package. When a VA final inspection is required for new construction or specific home repairs, Credit Union 1 guarantees closing within 5 business days from receipt of a satisfactory final inspection or satisfactory proof of final repairs. If property is a condo, the condo must be VA approved at the time of submission of the home loan application.

Product Exclusions:

Refinances, transactions involving Consolidation, Extension and Modification Agreements or loan amounts \$1 million or greater.

Ineligibility:

The Credit Union 1 Closing Guarantee does not apply if the following occur: Buyer or Seller initiates changes (1) to the original closing date documented in the purchase contract. The Credit Union 1 Closing Guarantee also does not apply if delays occur as a result of (1) completion of new construction, improvements or repairs being made to the subject property; (2) Failure by the buyer or seller to meet contract terms and requirements, including seller-related delays; (3) Force majeure events, including weather or a natural disaster; (4) Third parties delays other than CU1-required service providers such as appraisers, inspectors, or title companies; or (5) Buyer’s failure to respond to CU1 requests in a timely manner (e.g. within 3 business days); (6) Buyer or seller delays outside of CU1’s control. CU1 reserves the right to amend, terminate or withdraw the CU1 Closing Guarantee at any time without prior notice, but such changes will not affect applications already submitted.

The Closing Guarantee does not apply if:

The Mortgage Loan is denied or withdrawn or closed for incompleteness before the closing date listed on the Purchase Contract. Denial may be due to changes to credit profile, income, assets, or property condition.

Closing guarantees transferred to you under the terms of the program will be considered by CU1 a discount of closing costs paid at mortgage closing. The closing guarantee will be reflected on any applicable Loan Estimates and Closing Disclosures. Any awards transferred at or outside closing in excess of the value of the fees may be considered miscellaneous income and may be reportable on Form 1099-MISC (Miscellaneous Information) or Form 1042-S (Foreign Person's U.S. Source Income Subject to Withholding) to you and the IRS for the year in which you participate and receive the awards. You are responsible for any tax liability related to participating in the program. Please consult your personal tax advisor for questions about the impact to your personal income tax returns.

All home loan products are subject to credit and property approval. Rates, program terms and conditions are subject to change without notice. Other restrictions and limitations apply.

The Guarantee is only available for members applying for purchase loans on properties located in Alaska. The Guarantee is subject to all applicable state laws. The Guarantee may not be combined with any other CU1 promotions, discounts, or concessions.

CU1 is an Equal Housing Lender. As prohibited by federal law, we do not engage in business practices that discriminate on the basis of race, color, religion, national origin, sex, marital status, age (provided you have the capacity to enter into a binding contract), because all or part of your income may be derived from any public assistance program, or because you have, in good faith, exercised any right under the Consumer Credit Protection Act. The federal agency that administers our compliance with these federal laws is the Federal Trade Commission, Equal Credit Opportunity, Washington, DC, 20580.