

UTILITY DISTRICT CREDIT UNION
 LOAN POLICY AND RATES
 EFFECTIVE 07/27/2016
 (Check with Credit Union for Loan Specials)

LOAN TYPE	MAXIMUM TERMS			AMOUNT FINANCED	APR INTEREST RATE		
					Base Rate		
Unsecured							
Signature	6 to 36 months			\$100 to \$5,000	8.99%		
Signature	48 months			\$100 to \$5,000	9.99%		
*Line of Credit "Cash Flow"	Open-end			\$500 to \$10,000	9.99%		
Share Secured	120 months			90% of unencumbered shares	4.50%		
Automobile (All auto loans include tax, license and serviced policies; not to exceed Blue Book value)							
New Auto	84 months			100% financing of purchase price	4.25%		
	72 months			100% financing of purchase price	3.99%		
	60 months			100% financing of purchase price	3.25%		
	48 months			100% financing of purchase price	2.49%		
	36 months			100% financing of purchase price	2.25%		
Used Auto	72 months			100% of high Blue Book or sales price, whichever is less	4.25%		
	60 months			100% of high Blue Book or sales price, whichever is less	3.50%		
	48 months			100% of high Blue Book or sales price, whichever is less	2.75%		
	36 months			100% of high Blue Book or sales price, whichever is less	2.49%		
	Available on cars up to 3 years out of the Blue Book	Up to 36 months			100% of high Blue Book or sales price, whichever is less	4.50%	
Recreational Vehicles (RV)							
New RV	120 months			100% of sales price	7.75%		
Used RV	72 months			80% of high Blue Book or sales price, whichever is less	8.50%		
Motorcycle (New)	36 months			90% of purchase price	9.50%		
Real Estate (All real estate loans are subject to a loan fee. Borrower to pay for appraisal and closing costs, as well as any additional fees that may be incurred. Loans on owner occupied property and refinances; no purchase loans.) REAL ESTATE LOANS TEMPORARILY SUSPENDED EFFECTIVE 2/1/16							
First Trust Deed	15 YRS	20 YRS	25 YRS	\$5,000 to \$400,000 (80% of appraised value)	3.85%	3.95%	4.49%
Second Trust Deed	15 YRS	20 YRS	25 YRS	\$5,000 to \$200,000 (80% of appraised value minus 1 st)	4.65%	4.75%	5.05%
Clean Energy Equity Loan	5 YRS	7 YRS	10 YRS	\$1,000 to \$50,000 (80% of appraised value minus 1 st)	3.95%	4.75%	5.05%

*Line of Credit (LOC) loan requires a FICO score of 680 and above.

No pre-payment penalty on any UDCU loan. All unsecured and auto loans are subject to a non-refundable refinance fee. All loans are subject to a \$25.00 cancellation fee.

The UDCU Board of Directors reserves the right to change the rates or policies at any time. Check with the Credit Union for loan specials.

RISK BASED LENDING

Effective November 1, 2008 the Utility District Credit Union implemented Risk Based Lending which involves a tiered pricing structure that assigns loan rates based on an individual's credit risk. The credit scores used in processing risk based lending is developed by the Fair Isaac Company (FICO). The basic concept is that the rate charged to an individual borrower is commensurate with the credit risk associated with that borrower. Credit scoring and meeting the required debt ratio will determine the loan decision and the initial rate to the borrower. The chart below illustrates the rates in relation to the FICO score.

RATES EFFECTIVE JULY 27, 2016

NEW CAR LOAN							
RANGE	GRADE OF PAPER	RATE STRUCTURE	84 MONTHS	72 MONTHS	60 MONTHS	48 MONTHS	36 MONTHS
730+	A+	Base Rate - 0.50%	3.75	3.49	2.75	1.99	1.75
680-729	A	Base Rate	4.25	3.99	3.25	2.49	2.25
640-679	B	Base Rate + 1.00%	5.25	4.99	4.25	3.49	3.25
600-639	C	Base Rate + 2.50%	6.75	6.49	5.75	4.99	4.75
550-599	D	Base Rate + 6.00%	10.25	9.99	9.25	8.49	8.25
500-549	E	Base Rate + 9.00%	13.25	12.99	12.25	11.49	11.25

USED CAR LOAN						
RANGE	GRADE OF PAPER	RATE STRUCTURE	72 MONTHS	60 MONTHS	48 MONTHS	36 MONTHS
730+	A+	Base Rate - 0.50%	3.75	3.00	2.25	1.99
680-729	A	Base Rate	4.25	3.50	2.75	2.49
640-679	B	Base Rate + 1.00%	5.25	4.25	3.75	3.49
600-639	C	Base Rate + 2.50%	6.75	6.00	5.25	4.99
550-599	D	Base Rate + 6.00%	10.25	9.50	8.75	8.49
500-549	E	Base Rate + 9.00%	13.25	12.50	11.75	11.49

UNSECURED SIGNATURE LOAN					
RANGE	GRADE OF PAPER	RATE STRUCTURE	6 - 36 MONTHS	48 MONTHS	OPEN END LINE OF CREDIT
730+	A+	Base Rate - 0.50%	8.49	9.49	9.49
680-729	A	Base Rate	8.99	9.99	9.99
640-679	B	Base Rate + 1.00%	9.99	10.99	10.99
600-639	C	Base Rate + 2.50%	11.49	12.49	12.49
550-599	D	Base Rate + 5.00%	13.99	14.99	14.99
500-549	E	Base Rate + 6.00%	14.99	15.99	15.99

RECREATIONAL VEHICLES				
RANGE	GRADE OF PAPER	RATE STRUCTURE	NEW RV 120 MONTHS	USED RV 72 MONTHS
730+	A+	Base Rate - 0.50%	7.25	8.00
680-729	A	Base Rate	7.75	8.50
640-679	B	Base Rate + 1.00%	8.75	9.50
600-639	C	Base Rate + 2.50%	10.25	11.00
550-599	D	Base Rate + 6.00%	13.75	14.50
500-549	E	Base Rate + 7.00%	14.75	15.50

NEW MOTORCYCLE			
RANGE	GRADE OF PAPER	RATE STRUCTURE	36 MONTHS
730+	A+	Base Rate - 0.50%	9.00
680-729	A	Base Rate	9.50
640-679	B	Base Rate + 1.00%	10.50
600-639	C	Base Rate + 2.50%	12.00
550-599	D	Base Rate + 4.00%	13.50
500-549	E	Base Rate + 5.00%	14.50

NO PREPAYMENT PENALTY ON ANY UDCU LOAN. ALL UNSECURED & AUTO LOANS ARE SUBJECT TO A NON-REFUNDABLE REFINANCE FEE.

The UDCU Board of Directors reserves the right to change the rates or policies at any time.

Applicants with a FICO score below 600 © will be required to put down 10% toward car loan, RV loan and motorcycle loan.

*Line of Credit requires a FICO score of 680 and above. All loans are subject to a loan cancellation fee of \$25.00.