



First National Bank has committed **10 million dollars** to a new fixed-rate loan product—a **huge** commitment to our community!! This product is for any commercial or residential real estate loan subject to the bank's credit requirements. This incredible program will end on May 1, 2017.

Commercial Real Estate

4.25% fixed for 10 yrs. with up to 20-yr amortization

20% equity requirement

1% loan fee and standard closing costs

Prepayment fee of 1.5% on the unpaid balance within the first 5 years

Residential Real Estate*

3.75% fixed for 10 years adjusting every 3 years thereafter
(3.957% Annual Percentage Rate (APR))

20% equity requirement

Up to 30-yr amortization

\$250 loan fee and standard closing costs

**Residential example: For a \$100,000 10-3 adjustable rate mortgage (ARM) loan amortized over 30 years, the initial interest rate will be 3.75% with an APR of 3.957%. After the initial fixed rate period of 10 years, the rate may increase every three years with a 3 year rate cap limit of 2%. The rate will never exceed 9.75% nor be less than 3.75%.*

A payment example is as follows:

Years 1-10 at 3.75% fixed rate results in an initial payment of \$463.12

In Year 11 the rate could increase to the fully indexed rate of 4.22% with a payment increase to \$482.44

The monthly payment may change when the interest rate on an ARM is reset. After the initial fixed rate period, the interest rate can increase or decrease based on changes to the index which is the 3 Year Treasury Index. The current 3 Year Treasury rate as of 1/13/2017 is 1.47%. A margin of 2.75% is added to this index to arrive at the loan rate each 3 years after the initial 10 year fixed rate period. Any change in the index may significantly impact your monthly payment.