



Budget Drafting Program

Budget Drafting is a convenient program that may help to reduce your interest charges, build equity more quickly, and pay off your loan early. When enrolling in the budget drafting program, you authorize the initiation of a debit from your bank account, every other Friday, for half of your recurring scheduled monthly loan payment. A full monthly payment is posted to your loan account on the next business day following the second half payment draft. Twice a year a third 1/2 payment will be drafted and posted to your account as a principal payment. To participate in this program your loan account must be paid ahead by one month.

- **What are the steps for setting up an account on budget draft?**
 - The Customer completes a Budget Draft Authorization Form and returns it to our Drafting Department with a voided check, encoded deposit ticket, or a letter of verification
 - The loan will need to be paid one month ahead (see below)
 - The Customer receives our confirmation letter, which will confirm the bank information, total draft amount, and the draft start date. It is necessary for the Customer to continue making payments as they had previously until this date arrives
 - The Customer will need to allow 48 hours' notice before the next draft day in the event that they need to suspend, terminate, or change any draft information

- **Are there any stipulations?**

Draft days cannot be changed in the Budget Draft Program. Additionally, the same stipulations as a normal ACH draft will apply.

- **How are the payments applied?**

Half of the total draft amount is deducted from the specified bank account every other Friday. The first half payment is held in suspense until the second half arrives, at which point the total amount is applied as the monthly payment. Since the process takes four weeks, the loan needs to be paid one month in advance. Twice a year, a third half-payment will be drafted and posted to the account as a principal payment. This is due to some months having three Fridays. Budget Draft is different from a true bi-weekly in that it must be set up at the time the loan is originated.

LOAN ADMINISTRATION

Trying to Get Ahead on Your Mortgage? Consider Budget Drafting.

What is Budget Drafting?

Budget Drafting is a convenient program that can help you to reduce interest charges, build equity more quickly, and pay off your loan early.

How Does It Work?

When enrolling in the budget drafting program, the borrower authorizes the initiation of a debit from their bank account, every other Friday, for half of the recurring scheduled monthly loan payment. A full monthly payment is posted to the loan account on the next business day following the second half payment draft. Twice a year a third 1/2 payment will be drafted and posted to the account as a principal payment. To participate in this program the loan account must be paid ahead by one month.

How Do I Enroll?

To take advantage of this service, simply complete the Automatic Payment (ACH) Authorization below and return it along with a check for one month's payment (needed to prepay your loan account) to: **Drafting Department, PO Box 77417, Ewing, NJ 08628**. If you would like to draft your payment from an account other than the account you used to pay your monthly payment, in addition to completing the form and sending in your payment, you must also enclose an unsigned voided check or encoded deposit* slip for the account from which you intend to draft.

(*The deposit slip must be preprinted with your name, account number and bank's ABA number. The ABA number is located on the bottom left of your check or deposit slip. ABA numbers starting with a 5, 6, 7, 8, or 9 are not valid. Please contact your financial institution if you are unsure whether your deposit slip contains a valid ABA number).

BUDGET DRAFTING AUTOMATIC PAYMENT (ACH) AUTHORIZATION

Name: _____ Loan #: _____

I/We hereby authorize my lender to initiate a debit from my/our checking/savings account listed below, every other Friday, for 1/2 of my/our recurring scheduled monthly loan payment. If the required payment changes for any reason, this authorization will be automatically amended to authorize the debit of an amount equal to the new required payment plus any optional additional principal indicated below.

You will be notified of the month in which the first transfer will occur, and this notification will serve as a substitute of the photocopy of your authorization form. **Please continue making payments by check until you are notified that this authorization has been processed.**

Please select start date: 1st Friday of the month 2nd Friday of the Month

OPTIONAL: In addition to my/our regular payment, please deduct an additional \$ _____ each month and apply to principal.

Bank Name: _____ City/State: _____

ABA/Bank Routing #: _____ Bank Phone #: _____

Account Type (please check one): Checking Savings Account #: _____

The authorization to initiate a debit from your account will remain in full force and effect until we receive written notice from you of its termination at least 5 days prior to the next scheduled draft date, or in such a manner and time frame as to afford us and our correspondent bank a reasonable opportunity to act upon it. Termination requests must be mailed to: Drafting Department, PO Box 77417, Ewing NJ 08628 or fax to 609.718.1735.

Account Holder

Signature: _____ Date: _____

Joint Account Holder

Signature: _____ Date: _____

If you have questions regarding this program, please direct your written correspondence to Customer Service, PO Box 77404, Ewing, NJ 08628 or call the Customer Service Department.

Trying to Get Ahead on Your Mortgage? Consider Budget Drafting.

What is Budget Drafting?

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How Does It Work?

When enrolling in the budget drafting program, the borrower authorizes the initiation of a debit from their bank account, every other Friday, for half of the recurring scheduled monthly loan payment. A fully monthly payment is posted to the loan account on the next business day following the second half payment draft. Twice a year a third $\frac{1}{2}$ payment will be drafted and posted to the account as a principal payment. To participate in this program the loan account must be paid ahead by one month.

How Do I Enroll?

To take advantage of this service, simply complete the Automatic Payment (ACH) Authorization on the next page and return it along with a check for one month's payment (needed to prepay your loan) to: **Union Home Mortgage, P.O. Box 1173, Sylvania, OH 43560** or email to **UHMservicing@unionhomemortgage.com**. You will also need to enclose an unsigned, voided check for the account from which you intend to draft.

BUDGET DRAFTING AUTOMATIC PAYMENT (ACH) AUTHORIZATION

Name: _____ Loan # _____

I/We hereby authorize my lender to initiate a debit from my/our checking/savings account listed below, every other Friday, for ½ of my/our recurring scheduled monthly loan payment. If the required payment changes for any reason, this authorization will be automatically amended to authorize the debit of an amount equal to the new required payment plus any optional additional principal indicated below. I/we acknowledge that my/our lender may terminate this authorization by sending me/us written notice in advance of the first impacted draft date. If this occurs, I/we agree to (1) hold my/our lender harmless for terminating this authorization and (2) resume making my/our full monthly payment, as scheduled.

You will be notified of the month in which the first transfer will occur, and this notification will serve as a substitute of the photocopy of your authorization form. ***Please continue making payments by check or online until you are notified that this authorization has been processed.***

Please select start date: 1st Friday of the Month 2nd Friday of the Month

OPTIONAL: In addition to my/our regular payment, please deduct an additional \$ _____ each month and apply to principal.

Bank Name: _____ City/State: _____

ABA/Bank Routing # _____ Bank Phone #: _____

Account Type (please check one): Checking Savings Account #: _____

The authorization to initiate a debit from your account will remain in full force and effect until we receive written notice from you of its termination at least 5 days prior to the next scheduled draft date, or in such a manner and time frame as to afford us and our correspondent bank a reasonable opportunity to act upon it. Termination requests must be mailed to: Union Home Mortgage, P.O. Box 1173, Sylvania, OH 43560 or email to UHMservicing@unionhomemortgage.com.

Account Holder
Signature: _____ Date: _____

Joint Account Holder
Signature: _____ Date: _____

If you have questions regarding this program, please direct your written correspondence to Union Home Mortgage, P.O. Box 1173, Sylvania, OH 43560 or call our Customer Service Department at 1-800-441-3456.