

FIDELITY BANK INTRODUCES “MORTGAGE BY DESIGN” PROGRAM

Innovative Home Mortgage Loan Program Provides Flexible Solutions for Homeowners Features 100% Financing for New Homebuyers and 100% Home Equity Loans

Central, MA – April 19, 2011– Fidelity Bank, one of the oldest and fastest-growing independent community banks in Central Massachusetts, today announced the launch of “Mortgage ByDesign,” a flexible program of home mortgage lending that is custom designed to meet individual and family financial needs as part of the Bank’s unique LifeDesign approach to banking.

“Today’s new homebuyers and existing homeowners are all looking for mortgage solutions that meet their different needs whether it’s to purchase a new home with little money down or to use the equity in their home to pay for a new bathroom or bedroom,” commented Ed Manzi, Chairman & CEO of Fidelity Bank. “To address these many needs, Fidelity Bank has created the Mortgage ByDesign program that provides multiple options for homeowners and homebuyers to custom design mortgage and home equity loans that are tailored to their individual needs.”

100% Mortgage Loans

For new homebuyers who want to purchase the “home of their dreams” but have little money for the down payment, the Mortgage ByDesign program offers a dual mortgage loan with up to 100% financing that requires no down payment or a just a minimal payment. This is a dual mortgage loan with a fixed rate mortgage for 70% of the total loan amount and an adjustable rate mortgage for the balance of the loan, or up to 30% of the total loan amount.

If a new homebuyer decides to put up a minimal down payment such as 3% of the mortgage loan, then there would be a 70% fixed rate first mortgage and a 27% adjustable rate mortgage, and there would be no private mortgage insurance or PMI required. The fixed rate mortgage can be written for 10 to 30 years and the adjustable rate or second mortgage can be written up to a maximum of 20 years.

“For new homebuyers who have good credit and steady jobs but have not been able to save the 20% down payment normally required to buy a new home, this 100% mortgage financing option is an ideal solution for them. It also allows them to eliminate PMI by putting a minimal down payment on their purchase as well,” said Mr. Manzi.

100% Home Equity Loans

Another innovative mortgage solution offered through the Mortgage ByDesign program is the 100% home equity loan or line of credit that allows homeowners to use all the equity in their homes for upgrading bathrooms, replacing roofs or adding new bedrooms. “For the last few years due to the economic downturn, many homeowners have not been able to tap into the equity that they have built in their homes as many banks curtailed home equity lending programs,” commented Manzi. “We are now finding that there is a pent-up demand from homeowners who want to reinvest in their homes through remodeling or adding new rooms, and the 100% equity loan or line of credit is an excellent way to increase the value of your home.”

FastTrak 7/10 Mortgage Loans

For those homeowners who are looking to accelerate the reduction of their mortgage debt and take advantage of today’s low interest rates, Fidelity Bank’s MortgageByDesign home loan program now offers the FastTrak 7/10, which is 7 or 10 year fixed rate mortgage at a competitively-priced low interest rate. According to Manzi, “For homeowners in their 50’s who may be approaching retirement, the FastTrak 7/10 allows them to pay off their mortgage debt in seven or ten years thus freeing them from the worry of carrying mortgage debt into retirement. It’s win-win solution for them.”

30/7 Equity Builder Mortgage

The 30/7 equity builder mortgage product from Mortgage ByDesign is aimed at reducing mortgage debt while building equity at a faster pace. The 30/7 is really two mortgages in one. There is a 30-year note and a 7-year note, and the homeowner can decide how much of the mortgage he or she wants to finance on a 30 year basis versus on a 7-year basis. This flexibility allows homeowners to determine by how much they want to reduce their mortgage debt and over what time period.

“The 30/7 debt reduction mortgage offers great flexibility for homeowners in many different financial situations,” said Mr. Manzi. “For those whose homes may have fallen in value during the recent recession and want to decrease their debt-to-equity ratio in their homes, the 30/7 debt reduction mortgage can be used cost-effectively to accelerate equity replenishment in their homes. In situations where a homeowner wants to rebuild their equity at much faster pace, they can finance a higher amount of their existing mortgage with the 7-year note.”

The Mortgage ByDesign program enables Fidelity Bank’s financial designers to custom design a mortgage for both new homebuyers and existing homeowners. “Our financial designers take our clients through all the questions they should be asking and help them design the right mortgage loan for their personal and financial circumstances,” added Mr. Manzi. “Selecting the right mortgage can be challenging since there are so many options to choose from while most decisions are based on today’s circumstances not tomorrow’s. Our financial designers will take homebuyers through these options and explain the differences between fixed rate and adjustable rate mortgages; 30 year vs. 15 vs. 10 year fixed terms; how lower or higher down payments affect your interest rate and monthly payments. With *Fidelity Bank’s* MortgageByDesign program, our clients are guaranteed to find a trusted professional who will take the time to understand their life and educate them on the options that best fit your needs. This is the LifeDesign advantage.”

Fidelity Bank - one of the oldest and continually growing independent, local community banks in Central MA -- offers a full range of Banking, Investment and Insurance products and programs, and has full-service offices in Fitchburg, Gardner, Leominster, Millbury, Shirley and Worcester. Since 1888, the bank has remained committed to businesses, families and individuals in the communities it serves; in turn, loyalty demonstrated by members of those cities and towns has allowed the bank to become one of the strongest financial institutions in the region. Today, Fidelity Bank has total assets of \$522 million and a net worth nearly two times the minimum regulatory requirement. The FDIC and the Share Insurance Fund insures all deposits.



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