

What are Home Equity Loans and Lines of Credit?



A home equity loan or line of credit is a loan based on the equity in your home. The following example explains how your home equity loan/line is determined:

\$100,000	Value of home based on a tax bill or recent appraisal
x 80%	Percent used to determine loan/line amount
= \$80,000	
- \$50,000	Subtract money owed on home (first mortgage, second mortgage, etc.)
= \$30,000	Equity in your home and maximum loan/line amount
\$220.02	Monthly payment

Example is based on a home equity loan locked in for three years with a payback term of 20 years for 6.29% apr. Apr = annual percentage rate. Rate is subject to change, may be based on credit score and on having autopay from a FCCU checking account.

With a home equity loan, you can borrow the money in one lump sum and make the same monthly payment for the life of the loan. Fox Communities Credit Union also offers home equity loans where up to 100% of the value of your home can be used in determining the loan amount.

Or, you can choose a home equity line of credit using up to 90% of the value of your home to determine the line amount. Payments are based on the outstanding balance. Use the amount that you need and once the funds are paid down, the money is available for you to use again and again without coming back into the credit union.

Save money by using a home equity loan or line today!

- **Remodel the kitchen!**
- **Pay for college!**
- **Buy a boat!**
- **Take a vacation!**
- **Pay off high interest bills!**
- **Landscape the yard!**
- **Buy a car!**

Use the equity in your home for anything you want!

