

# Insider guide to a Home Equity Line of Credit (HELOC)

**Overview:** A home equity line of credit lets you leverage the value of your home and ensure you have funds available when you need them, up to your line of credit amount. Get flexibility to borrow what you need, as you need it, with the potential to save in interest over other options.

## HELOC Requirements:

- ✓ Home ownership
- ✓ Equity in home
- ✓ Ability to repay the HELOC
- ✓ HELOC lender approval

## HELOC Uses:

- Home improvement projects
- Debt consolidation
- Large purchases
- Short-term large funding needs



## HELOCs help you save

Estimated payment plan based on \$30,000 5-year loan with top Alliant rate.



### Credit Card

**Interest rate:** 15.49% APR<sup>1</sup>  
**Monthly payment:** \$721.44

**Total payment:** \$43,286.24

**Total cost vs HELOC:**  
**+\$6139.22**

### Personal loan

**Interest rate:** 13.79% APR<sup>2</sup>  
**Monthly payment:** \$694.79

**Total payment:** \$41,687.14

**Total cost vs HELOC:**  
**+\$4540.12**

### HELOC

**Interest rate:** 8.75% APR<sup>3\*</sup>  
**Monthly payment:** \$619.12

**Total payment:** \$37,147.02

**Total Savings:**  
**\$6139.22** vs credit card  
**\$4540.12** vs personal loan

\*HELOC APR is a variable rate and subject to change



### Insider Scoop:

*"A Home Equity Line of Credit (HELOC) can be a great financial tool with benefits that include flexible access to funds and potential tax advantages."*

**- Steve Ciliak**  
 Product Mgr-Lending Prod | Alliant Credit Union

## Key HELOC factors to consider

### Pros

- ✓ Secured loan through built equity in your home
- ✓ Lower interest rates than many other loan types
- ✓ Flexibility in repayment terms
- ✓ Interest only payment options

### Cons

- ✗ Reduces equity built up in your home
- ✗ Payments can fluctuate over time with variable interest rates
- ✗ Higher payment during repayment period
- ✗ Incur additional debt and financial obligation



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 NCUA

# Become a member and save with a HELOC

Learn more at [www.myalliantcreditunion.com](http://www.myalliantcreditunion.com)



Get started now

1. Loan approval and APR based on creditworthiness and ability to repay. Rates, terms, and conditions are subject to change. APR=Annual Percentage Rate. The introductory rate on purchases and balance transfers is good for 12 months from the date of account opening based on your credit worthiness. After that, or if you don't qualify for the introductory rate, your APR will adjust to your standard variable rate which will apply to all new purchases, new balance transfers, and all unpaid purchase and balance transfer balances remaining from the introductory period. Standard purchase and balance transfer APR: from 15.49%-27.49% for Visa Platinum Card and 18.24%-28.24% for Visa Platinum Rewards Card depending on your creditworthiness. See the [Alliant Visa Card Disclosure \(PDF\)](https://www.alliantcreditunion.org/images/uploads/files/VisaCreditCardDisclosure.pdf) (<https://www.alliantcreditunion.org/images/uploads/files/VisaCreditCardDisclosure.pdf>) and [Alliant Visa Platinum Card Agreement \(PDF\)](https://www.alliantcreditunion.org/images/uploads/files/VisaCreditCardAgreement.pdf) (<https://www.alliantcreditunion.org/images/uploads/files/VisaCreditCardAgreement.pdf>) for more information.

2. APR=Annual Percentage Rate. APR is 0.4% higher without automatic payment option. Loan approval and APR based on factors such as payment method, creditworthiness and ability to repay. Rates, terms and conditions are subject to change. A loan with a rate of 11.79% APR with a term of 12 months would result in monthly payments of \$88.75 per \$1,000 borrowed. Payment example is an estimate. Your actual payment may differ based on your special qualifying rate and loan terms. Rates are 1% higher when refinancing an existing Alliant loan.

## Interest-only Home Equity Line of Credit

3. Home equity products are available in the following states: AZ, CA, CO, CT, FL, GA, HI, IL, IN, KY, MA, MI, MN, MO, NC, NJ, NV, NY, OH, PA, TN, UT, VA, WA, WI and Washington, D.C. The minimum loan amount is \$10,000. The minimum loan amount is \$25,001 in WI and Washington, D.C. Offer subject to credit approval, which includes verification of application information and receipt of collateral documents. Rates and closing costs are subject to credit qualifications. Maximum loan to value of up to 80% depending on state in which the property is located. Initial rate is based on loan amount, loan to value and credit history. We may not extend credit to you if you do not meet Alliant criteria. The Annual Percentage Rate (APR) is a variable rate. Your qualifying rate may adjust monthly and is based on the highest Prime Rate as published in The Wall Street Journal as of the date of any rate adjustment plus or minus a margin. The APR range is from 8.75% to a maximum of 16%. Loans without automatic payment selection from an Alliant Credit Union account are subject to an increase in rate and margin of 0.25%. No closing costs (excluding applicant ordered appraisals) based on Interest-only Home Equity Line of Credit (HELOC) loans up to \$250,000 and meeting Alliant criteria. A fee of \$1,000 is applied to Interest-only HELOC loans more than \$250,000. Minimum payment will not repay principal, which will result in a higher principal and interest payment at the end of the 10 year draw period. Costs to satisfy certain prior liens may be assessed. The Annual Fee of \$50 will be waived the first year but will be assessed in subsequent years. You will incur the annual fee even if you don't have a balance. Property insurance is required. Flood insurance may be required. If the state and/or county in which the collateral is located charges additional fees and taxes, the borrower will be responsible for payment. A \$200 termination fee may be applied to an Interest-only HELOC cancelled or closed by the borrower within 36 months of origination. Refinancing of Alliant home equity products available; \$250 fee on loans that do not increase the credit limit by \$10,000 or more. Rates, terms, and conditions subject to change. Other restrictions may apply. Interest-only HELOC loans available on 1 to 2 unit owner occupied dwellings. Please consult with an Alliant Loan Consultant at 800-328-1935 ext. 2570 for more information on an Alliant Interest-only Home Equity Line of Credit.