



SERVICE CREDIT UNION

HOME EQUITY LOAN INFORMATION SHEET

If you are interested in a home equity loan and would like to determine if you have enough equity in your home to qualify, complete the following worksheet:

ESTIMATED FAIR MARKET VALUE
(From your property tax bill or
a current appraisal)

TAKE 80% OF THE ABOVE FIGURE
(OR 90% FOR HELOC LOANS)

SUBTRACT CURRENT BALANCE
ON YOUR FIRST MORTGAGE **

REMAINING BALANCE IS THE
AMOUNT OF EQUITY YOU HAVE
AVAILABLE TO BORROW.

WE HAVE A \$60,000.00 LOAN MAXIMUM

**PLEASE NOTIFY US IF YOU HAVE MORE THAN ONE MORTGAGE ON YOUR HOME AT THIS TIME. THIS WILL AFFECT YOUR ELIGIBILITY FOR A HOME EQUITY LOAN WITH SERVICE CREDIT UNION.

WHAT DOCUMENTATION IS REQUIRED TO DO A HOME EQUITY LOAN?

We will need the following information from you after you determine the amount of equity you have available:

- ◇ COPY OF LATEST TAX BILL IF FAIR MARKET VALUE SUPPORTS THE AMOUNT YOU WISH TO BORROW. IF FAIR MARKET VALUE IS NOT SUFFICIENT, WE MAY ORDER AN APPRAISAL OF YOUR PROPERTY (OR YOU MAY USE AN APPRAISAL THAT IS LESS THAN ONE YEAR OLD).
- ◇ DOCUMENTATION OF THE BALANCE OF YOUR FIRST MORTGAGE. THIS CAN BE A CURRENT STATEMENT OR A LETTER FROM YOUR INSTITUTION ON THEIR LETTERHEAD.
- ◇ COPY OF THE TITLE INSURANCE POLICY ON YOUR FIRST MORTGAGE.

WHAT'S NEXT?

After we fill out an application, we will provide all the necessary disclosures to you. This includes a Good Faith Estimate that shows you the approximate cost of doing a home equity loan. If you choose a variable rate, we must give you a disclosure that explains how the rate is determined and how it may change.

Finally, we determine if your property is in a flood plain. If it is in a flood plain, we require flood insurance.

HOW LONG DOES THE PROCESS TAKE?

Your money is usually available about 1½ weeks to 2 weeks after we begin the loan process. We order a letter report and set up an appointment to sign papers when that arrives. Remember your spouse or any other titleholder on the deed will need to sign loan documents also.

Once the papers are signed, you have a three-day right to rescind. Funds will be disbursed after the third business day has passed.

HOW MUCH WILL THIS COST?

Loan fees are collected when you come in to sign papers. There is a fee paid to the Register of Deeds for your county to file a mortgage. There is also a fee to obtain a letter report. An estimate will be given to you at the time of application. This cost is usually around \$63.00 but can vary with each situation.

- ◇ YOU WILL NEED TO LIST SERVICE CREDIT UNION AS SECOND MORTGAGEE ON YOUR HOMEOWNER'S POLICY. IF YOU DO NOT HAVE A FIRST MORTGAGE, THEN WE WOULD BE LISTED AS FIRST MORTGAGEE.