

Home Equity Lines of Credit

An equity line of credit is a 2nd Trust Deed because the line of credit itself is attached to your property. Our equity line of credit has a draw period of 7 years. After 7 years, you start to repay whatever balance is left for a period of 15 years. In other words, it becomes a fully-amortized 15-year note at the conclusion of the 7-year draw period. Therefore, this is a 22-year loan if you choose to stay in it that long.

Your payment on our home equity line of credit is based upon the existing balance you presently owe. Here's an example. Let's say you have an equity line of credit with a monthly payment of \$100 based upon the fact that you currently owe \$25,000. If you pay an extra \$2,000 on that line of credit this month, then next month your balance is \$23,000. Like a credit card, your payment will immediately decrease because that payment is based on the balance you owe, not on the original indebtedness as in a fully-amortized fixed rate note.

Where it differs from a credit card, is the fact that it's tax deductible. In fact, you can take all of your credit card debt and pay it off with one new loan as an equity line of credit, thereby creating a tax deduction you don't presently have with your credit card debt*. Beyond that, another interesting component to it is the ability to draw back against it at any time.

Upon the closing of your loan, you will receive a checkbook in the mail within 10 business days. This checkbook is your means for drawing against your equity line of credit.

Available on one to four unit dwellings in California

Limit amounts available from \$10,000 to \$300,000

Borrow up to 90% of your home's value

10-year draw period followed by 15 year amortization of balance

Fast easy processing

Possible tax deductibility of interest paid*

* Consult your tax advisor