

The Bank of Albuquerque Simple Guide provides basic information about our Home Equity Loan product in an easy-to-understand format.

A **Home Equity Loan** allows you to use the equity in your home as collateral. It is often used to finance major expenses such as home repairs or upgrades, medical bills, or debt consolidation. Home Equity loans can also be used to fund unexpected expenses that may arise.

Loan Structure															
Available Loan Amounts	\$5,000 - \$400,000														
Available Length Of Loan	2 years to 15 years.														
Lien Positions	Home Equity Loans may be in 1st, 2nd, or 3rd lien position.  A lien is a security interest on your property, used as collateral for your loan.														
Interest Rate	Your interest rate is fixed for the life of the loan.														
Loan-to-value (LTV)	The maximum LTV for this product is 85%.  Loan-to-Value refers to the amount owed on a property compared to its current value.  For example: <table style="margin-left: 20px;"> <tr> <td>\$200,000</td> <td>Home value</td> </tr> <tr> <td>X 85%</td> <td>Max loan-to-value</td> </tr> <tr> <td colspan="2"><hr/></td> </tr> <tr> <td>\$170,000</td> <td></td> </tr> <tr> <td>-150,000</td> <td>Existing liens</td> </tr> <tr> <td colspan="2"><hr/></td> </tr> <tr> <td>\$20,000</td> <td>Amount available for home equity loan</td> </tr> </table>	\$200,000	Home value	X 85%	Max loan-to-value	<hr/>		\$170,000		-150,000	Existing liens	<hr/>		\$20,000	Amount available for home equity loan
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\$20,000	Amount available for home equity loan														
Loan Type	Your Home Equity Loan is a closed end loan, which means the loan proceeds will be disbursed at one time.														
Monthly Payment	Your monthly payment will be fixed for the life of the loan.														
Principal Payments	You can pay more than your standard monthly payment amount to reduce your principal loan balance at any time. This in turn may reduce the amount of time it takes to pay back your loan.														
How Do We Accrue Interest?	Interest is calculated daily.														

Fees	
Prepayment Penalty	There is no prepayment penalty on this loan.
Upfront Fees For Client (i.e. appraisal, title, etc.)	There are no upfront fees with this loan.
Closing Costs For Client	There are no closing costs with this loan.
Late Fees	If a payment is 15 days or more late, you will be charged 5.0% of the unpaid portion of the regularly scheduled payment or \$10.00, whichever is less.

Servicing Your Loan	
Access To Your Loan	<ul style="list-style-type: none"> <li>View up to 18 months of transaction history in Online and Mobile Banking.</li> <li>View up to 7 years of Online Statements in Online or Mobile Banking, and turn off paper delivery of your statements.</li> <li>Call an ExpressBanker at 800.583.0709.</li> <li>Visit a banking center to speak with a Relationship Banker.</li> <li>Review your monthly loan statement.</li> </ul>
Ways To Make Your Payment	<ul style="list-style-type: none"> <li>Set up an automatic draft from your checking account.</li> <li>Pay via Online or Mobile Banking.</li> <li>Mail your payment.</li> <li>Make a payment at one of our banking centers.</li> </ul>
Statements	Your monthly statement will provide information such as your interest rate and outstanding balance, a breakdown of your amount due, and payment history.

Getting Started	
Apply for your new Home Equity Loan using one of the following convenient methods:	
<ul style="list-style-type: none"> <li>Apply online at <a href="http://bankofalbuquerque.com">bankofalbuquerque.com</a>.</li> <li>Call an ExpressBanker at 800.583.0709.</li> <li>Visit a banking center and speak with a Relationship Banker.</li> </ul>	