



www.MyFortLibertyFCU.org

910.864.2232 | 866.793.5328

PO Box 70240, Fort Liberty, NC 28307

Home Equity Loan Disclosure

This loan will result in a lien on your primary residence.

The property offered as collateral must be owner-occupied for a minimum of 6 months and located within the state of NC.

You will be provided an estimate of the closing costs within three business days of our receipt of your application. There are no fees paid to the credit union at any time during this process other than the collection of the appraisal fee mentioned below.

Loans greater than \$100,000 require an appraisal performed by an NC State Certified Appraiser appearing on the approved appraiser list for Fort Liberty Federal Credit Union. For loan requests less than \$100,000 the value of your property will be determined by using an online valuation service, plus an on-site property inspection. If either report suggests issues that may affect the value as assessed, the credit union may require the services of a certified appraiser. In such instances, you will be responsible for the cost of the appraiser's service which is approx. \$350-\$450. The appraisal fee is non-refundable and must be paid prior to the credit union assigning the task.

We will advance up to 100% of the lendable equity in your home. This is typically known as the loan-to-value (LTV). The available advance is based on certain credit standards established by the credit union and may vary between 70% LTV and 100% LTV based on credit history, amount of credit in use, the purpose of the loan, and the type of property. Our maximum LTV is available to those with extremely good credit and limited credit in use. For borrowers with better than average credit history, our advance will be limited to 90%. As credit quality declines the available LTV declines as well.

To calculate your lendable equity, multiply the value of your property by your qualifying LTV. From that value subtract the balance due to your first mortgage holder. The difference is the maximum advance available. Assume a property value of \$150,000 and a qualifying LTV of 90%. Your lendable equity is \$135,000. Assuming you owe \$100,000 on your home, your lendable equity loan could be up to \$35,000. Contact one of our Mortgage Loan Officers to determine your qualifying LTV.

Fort Liberty Federal Credit Union can be no less than a second lien holder. This is not a Line of Credit.

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