

## SIMPLE GUIDE TO

# Home Equity Line of Credit

The Bank of Oklahoma Simple Guide provides basic information about our Home Equity Line of Credit products in an easy-to-understand format.

A Home Equity Line of Credit (HELOC) 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, debt consolidation or medical bills. Home Equity Lines of Credit offer flexibility for individuals who are unsure of the exact amount they'll need to borrow, and who want to take multiple advances over time.

	Principal and interest HELOC	Interest only HELOC
Available HELOC Products	You pay a portion of your outstanding principal and interest each month during the advancing period.	You pay your outstanding interest each month during the advancing period.
Available line size	\$10,000 - \$400,000	\$10,000 - \$250,000
Available length of loan	10 year advancing period followed by a 15 year repayment period.	5 year advancing period followed by a 15 year repayment period.
Monthly payment amount	During the advancing period, your payment will be 1.5% of your outstanding balance, or \$100, whichever is greater.	During the advancing period, you will pay accrued monthly interest.
Lien positions	Home Equity Lines of Credit 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 variable, based on the Wall Street Journal prime rate, plus a margin. Also, the margin is dependent on credit history. If you have less than excellent and substantial credit, you may be offered a higher margin.	
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: \$200,000 Home value X 85% Max loan-to-value \$170,000 - 150,000 Existing liens \$20,000 Amount available for Home Equity Line of Credit <small>*If property size is greater than 5 acres, restrictions may apply.</small>	
Loan type	Your Home Equity Line of Credit is open ended, which means you can draw on available funds anytime during the advancing period.	

<b>Smartlock</b>	During the advancing period, you may convert portions of your outstanding line of credit balance into fixed rate loans. As you pay down the balance of your SmartLock <sup>SM</sup> , those funds become available to you once more during the advancing period.
<b>Principal payments</b>	You can pay more than your standard monthly payment amount to reduce your principal line of credit balance. This in turn may reduce the amount of time it takes to pay back your line of credit.
<b>How do we accrue interest?</b>	Interest is calculated daily.

### Fees

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<b>Prepayment penalty</b>	There is no prepayment penalty on this product.
<b>Annual fee</b>	There is an annual \$50 fee with this line of credit.
<b>Upfront fees for client (i.e. Appraisal, title, etc.)</b>	The client pays no upfront fees with this line of credit.
<b>Closing costs for client</b>	The client pays no closing costs with this line of credit.
<b>Late fees</b>	If a payment is more than 15 days late, you will be charged 5.0% of the unpaid portion of the regularly scheduled payment or \$25.00, whichever is less.

### Servicing your line of credit

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<b>Access to your line of credit</b>	<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 a Mortgage Banker at 877.836.0268.</li></ul>
<b>Ways to make your payment</b>	<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>
<b>Statements</b>	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 Line of Credit using one of the following convenient methods:

- Apply online at [bankofoklahoma.com](http://bankofoklahoma.com)
- Call a Mortgage Banker at 877.836.0268
- Schedule an appointment at [bankofoklahoma.com/appointments](http://bankofoklahoma.com/appointments) or through our mobile app.

