TAPPING INTO YOUR HOME'S POTENTIAL:

A SMART GUIDE TO USING A HELOC

AMERICAN PACIFIC MORTGAGE

Proud to be Employee Owned

WHAT IS A HELOC?

You've built equity in your home—now it's time to put it to work. A Home Equity Line of Credit (HELOC) is a flexible, affordable way to borrow against your home's value for the things that matter most. From remodeling projects to big life expenses, a HELOC gives you the freedom to access funds when you need them.

Think of it like a credit card—secured by your home—with a credit limit, flexible payments, and a draw period where you only pay interest.

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WHY USE A HELOC?
SMART WAYS TO LEVERAGE YOUR EQUITY

Here are a few popular ways homeowners use a HELOC:

Home improvements or renovations

Update your kitchen, add a bathroom, or build that backyard oasis.

Debt consolidation

Pay off high-interest credit cards with a lower-interest HELOC.

Education expenses

Cover tuition, books, or other school-related costs.

Major purchases

Finance a car, medical bills, or unexpected life events.

Emergency fund

Use it as a financial safety net without dipping into savings.

HOW DOES A **HELOC WORK?**

Here's a quick breakdown of how our HELOC is structured:

Draw Period:
10 years
Only pay interest on the amount you borrow during this time.

Repayment Period:
20 years
After 10 years, you begin repaying both interest and principal.

Loan Limits:
Minimum: $25,000
Maximum: $750,000

Credit Score Required:
660+

Max CLTV:
Up to 89.99%

DTI Limit:
Up to 50%

You can access available funds as needed, just like a credit card, and only pay interest on what you use.

WHAT MAKES A HELOC DIFFERENT?

Can be used as a stand-alone or piggyback loan
Use it by itself, or pair it with a primary mortgage to avoid jumbo pricing or get extra buying power.

Interest-only payments for 10 years
More financial flexibility upfront.

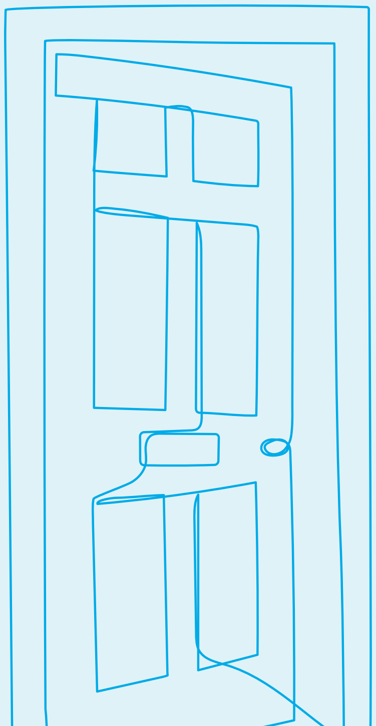
No need to refinance your first mortgage
Keep your low rate on your existing mortgage while still accessing funds.

Generous loan limits & flexible qualifications
With a maximum loan amount of $750,000 and LTVs up to 89.99%, our HELOC works for a wide range of needs.

WHY USE A **HELOC?**

A HELOC MIGHT BE A **SMART MOVE** IF YOU:

- Have built up equity in your home
- Need flexible access to funds
- Want to avoid refinancing your first mortgage
- Prefer lower payments during the draw period
- Have a solid credit profile and manageable debt

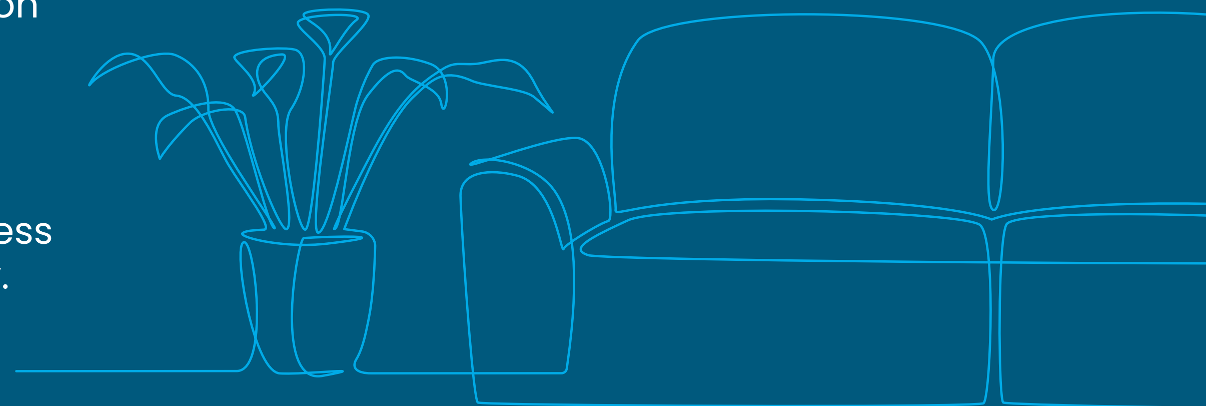


GETTING STARTED: **WHAT YOU'LL NEED**

IF YOU DECIDE TO APPLY FOR A **HELOC,** HERE'S WHAT YOU'LL TYPICALLY NEED:

- Proof of income (W-2s, pay stubs, tax returns)
- Your mortgage and property information
- Credit score of 660 or higher
- A clear picture of your existing debts

Our team can walk you through the process and answer any questions along the way.



FAQs ABOUT HELOCs

Q **Will a HELOC affect my current mortgage?**

A **Not at all!**
A HELOC is a second lien, so you keep your current mortgage as-is.

Q **Do I have to borrow the full amount up front?**

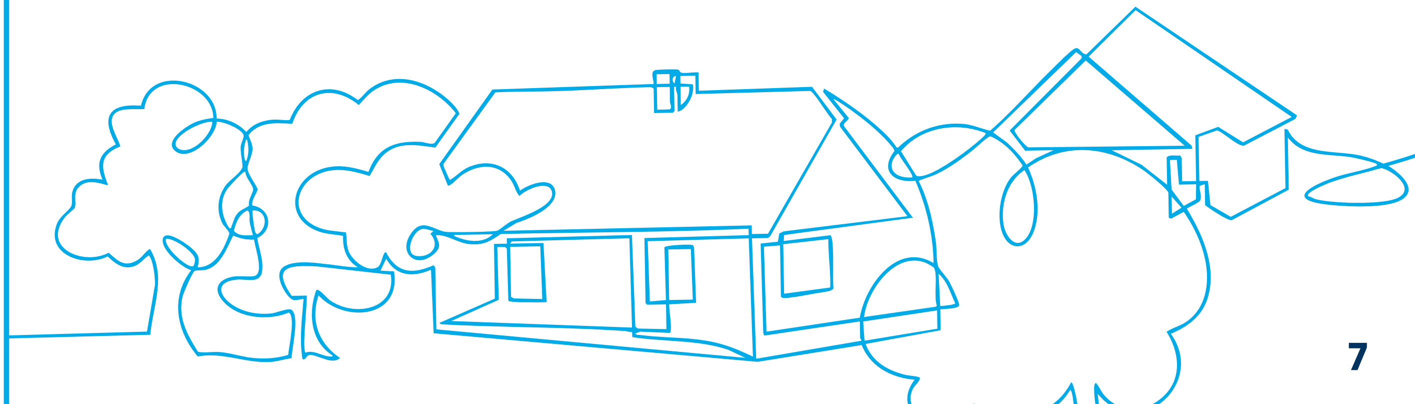
A **No!**
You only borrow what you need during the 10-year draw period.

Q **Are payments fixed?**

A **No!**
Payments are interest-only during the draw period, but based on an adjustable rate, typically tied to the Prime Rate. Then payments are amortized over the remaining 20 years during the repayment period.

Q **Can I pay it off early?**

A **Yes!**
There are no prepayment penalties with our HELOC.



LET'S TALK! READY TO UNLOCK YOUR HOME'S POTENTIAL?

Your home has value. Now it’s time to use it in a way that works for you.

Let’s chat about how a HELOC can fit your goals and give you the freedom to move forward with **confidence.**

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About APM

As a company, we embrace the concept of homeownership with enthusiasm and optimism for housing in America. Every employee at American Pacific Mortgage takes personal ownership in Creating Experiences That Matter™ for our customers and consumers. Every transaction represents a family, a home, and a life decision — we understand and value that our participation is a privilege and that our job is to delight everyone involved in the loan process.