

Understanding Home Equity Products Interactive Training

HOME EQUITY PRODUCTS

Chase offers two kinds of home equity products.

Home Equity Lines of Credit

A home equity line of credit lets a customer decide when they want to borrow and how much they want to borrow, up to a designated limit. The line is accessible for 10 years with a 20-year repayment schedule. Repayment terms are explained on the next page. Interest is only applied to the accumulative amount of money advanced. The rate will vary, depending on prime. This variable rate line of credit is secured by the borrower's primary residence or secondary/vacation home.

Home Equity Loans

A home equity loan is a fixed-rate fixed-term loan secured by the borrower's primary or secondary/vacation residence. The customer receives a one-time lump sum of money to be paid back in regular monthly installments during the life of the loan.

HOME EQUITY LINES OF CREDIT

Scroll this page for an overview of line of Chase Home Equity Lines of Credit (HELOC). Refer back to this page whenever you need. Always check for recent changes.

DEFINITION

A variable rate line of credit that is secured by the borrower's primary residence or secondary/vacation home. The Line of Credit enables the customer to decide how much they want to borrow and when they want to borrow the money that is available to them. Interest is only applied to the money advanced.

ACCESS PERIOD

Funds are accessed by check and are available at any time for the first 10 years (Connecticut is 9 years & 10 months). This period of time is known as the access period. During the access period, the funds may be used, repaid, and used again (revolves). An interest only payment is the minimum required as payment during this time. If principal is also paid, it becomes available credit, which can be reused during the access period.

ACCESS

Customers access the line of credit by Home Equity Line of Credit (HELOC) check. Funds can also be wired (most common in EASYCLOSE transactions). These checks have a separate number from any Chase regional bank checking account that the customer may have.

CHECK MINIMUM

There is a \$250 per check minimum.

REPAYMENT PERIOD

After the access period is over, outstanding balance is amortized over a 20-year period (Tennessee has a 10-year repayment period). This period of time is known as the repayment period. Principal and interest are required as payment during this time. The funds are no longer accessible to the customer.

PAYMENTS

During the Access Period:

The payment of interest will adjust on a month-to-month basis depending upon the number of days in the billing cycle and any rate changes (due to current market conditions and fluctuations of the index).

During the Repayment Period:

Principal and interest payments will also adjust on a month-to-month basis.

RATES Home Equity Lines of Credit are based on Prime plus a margin. Therefore, the Line of Credit is a variable rate and is based upon Prime (as listed in the Wall Street Journal). The Prime Rate is subject to change on a monthly basis.

ANNUAL FEES Annual fees, if applicable, are waived for the first year. See state specific pricing information for details.

PREPAYMENT PENALTY At this time, there is no prepayment penalty on the Home Equity Lines of Credit.

INSURANCE Credit Life Insurance is not available at this time.

Line of Credit Products

Chase offers three products Home Equity Lines of Credit; no closing cost, full closing cost, and premier line.

NCC HELOC

A home equity revolving line of credit with no closing costs. This may save your customer hundreds of dollars-right from the start!

- Rates are competitive in their market.
- No application fee.
- No prepayment penalty.
- No title insurance
- No closing costs.
- Variable rate for life of line, (based on Prime rate).

In addition, some fees may be required for all products. Hazard, flood and homeowner's insurance are limited to state requirements and paid for by the borrower.

FCC HELOC

A home equity revolving line of credit in which the applicant pays Full Closing Costs to receive a lower rate. Customers have the option of using the Line of Credit to pay for closing costs. Closing Costs may include (but are not limited to) the following:

- Property Evaluation
- Title Search/Insurance
- Mortgage Tax (if applicable)
- Settlement Agent Fee
- Recording Fee
- Flood Certification
- Credit Report

In addition, some fees may be required for all products. Hazard, flood and homeowner's insurance are limited to state requirements and paid for by the borrower.

Chase Premier (sm) Line of Credit

A home equity revolving line of credit in which an initial advance/draw is taken for a minimum of \$25,000.

HOME EQUITY LOANS

Study this page for details regarding Chase Home Equity Loans. Refer back to this page whenever you need. Always check for recent changes.

DEFINITION	A fixed rate, fixed term loan secured by the borrower's primary or secondary/vacation residence. The customer receives a one-time lump sum of money to be paid back in regular monthly installments during the life of the loan.
ACCESS	Proceeds are paid to the customer by an official check. Funds can also be wired (most common in EASYCLOSE transactions).
TERMS	The customer typically will have a choice between a 10-year or 20-year product. The availability of terms is based upon state/location and tier/amount. Additionally, a customer has the option of selecting the 30/15 Balloon product. This is also a fixed rate product that is amortized over 30 years. At the end of 15 years, the outstanding balance or "balloon" is due. When entering the application, the term used is 180 months (15 years).
PAYMENTS	The rate and term are fixed, therefore the monthly payment will not change for the customer, except in two situations: <ul style="list-style-type: none">○ The last payment may be slightly different based upon the amortization of the loan.○ If the customer chooses to pay an amount above the required monthly payment, that may alter the loan term (paid off early) or the final payment amount (it may be less).
RATE	The rate is fixed for the life of the loan.
ANNUAL FEE	At this time, there are no annual fees for loans.
PREPAYMENT PENALTY	At this time, there are no prepayment penalties for loans.
INSURANCE	Credit Life Insurance is not available at this time.

Loan Products

Two products are offered for Chase home equity loans, no closing cost and full closing cost loans.

NCC Home Equity Loan

A home equity loan with no closing costs.

- Fixed rate for the life of the loan
- No annual fee
- No application fee
- No prepayment penalty
- No title insurance
- No closing costs

See state availability for product offering.

FCC Home Equity Loan

A home equity loan in which the applicant pays Full Closing Costs to receive a lower interest rate. Features include:

- Fixed rate for the life of the loan
- No application fee
- No prepayment penalty
- Offered in all regions, except for TX collateral properties.

Closing Costs may include (but are not limited to) the following:

- Property Evaluation
- Title Search/Insurance
- Mortgage Tax (if applicable)
- Settlement Agent Fee
- Recording Fee
- Flood Certification
- Credit Report

In addition, some fees may be required for all products. Hazard, flood, and homeowner's insurance are limited to state requirements and paid for by the borrower.