

HELOC vs. Home Equity Loan

Learn the differences to determine which is right for you.

	HELOC	HOME EQUITY LOAN
ACCESS TO FUNDS	Allows you to draw funds as needed, revolving	Single, upfront lump sum
INTEREST RATES	Variable Rate that fluctuates with the market	Fixed Rate
REPAYMENT	Varies, accrued interest-only payments based on the amount advanced	Set principal and interest payment amortized up to 25 years
BEST USE CASE	Ongoing, variable-cost projects and other future expenses (example: repairing a house over several months)	Specific, one-time project (example: remodeling, large debt consolidation)
PROS	Only pay interest on the amount used. Flexible access to cash.	Fixed, predictable payments. Fit to your budget.
CONS	Variable rates mean payments can increase.	Pay interest on the total amount immediately. Cannot re-advance funds.



Collins
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**Speak with one of our experienced
lenders for more information.**

Subject to credit approval. Collins State Bank NMLS #405041

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