What's your goal?
Start learning & planning

- Buy a Home
- Improve Your Home
- Refinance Your Mortgage
- Use Funds From Your Home
  - Finance a Major Purchase
- Manage Your Debt

Finance a Major Purchase

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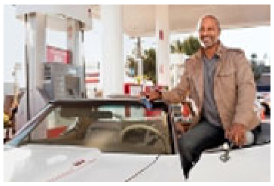
Learn the Basics | Loan Options | How to Apply | After You Apply | After You Close



Looking to finance a major purchase?

Wells Fargo has a variety of home equity financing options that may meet your needs.

If you need to finance a major purchase such as a new car, home repair, or unexpected expenses, using the equity in your home could be an alternative to using other higher-interest rate financing options.

What types of expenses can my home equity cover? Show Details

What are the possible benefits of using the equity in my home to fund a major purchase? Show Details

What should I consider before using the equity in my home for a major purchase? Close

Before you decide to borrow against the equity in your home, it is important to evaluate your present and future needs.

Is the purchase an appropriate use of my home equity?

- Using your home equity to make payments for regular, recurring expenses may result in interest payments that are higher than the loan amount.
- The interest on a home equity loan varies. If you cannot manage home equity payments, you may put your home at risk.
- If you are looking for an alternative to using your home equity for financing, you could apply for a personal loan or a line of credit.

Does my home have enough equity?

- Your home's equity is what's available after subtracting what you owe on your mortgage, and any other outstanding liens, from your home's market value.
  - Estimate market value with a list of comparable area sales from a **REALTOR®** or subscribe to *Wells Fargo Home Sales Monitor*SM .
  - Request our Free Equity Analysis.

Myth

Hardly anyone can qualify for a home equity line of credit or loan.

Truth

Home Equity financing can be a good option if you have good credit, sufficient equity in your home and manageable debt.

What financing basics should I understand? Close

If you obtain a home loan to help repair and maintain your home, you will repay more than you borrowed. In addition to your interest rate, term and loan amount, how much you repay is determined by several factors. Here are the components you need to know:

Interest rate	• The interest rate is the percentage of your loan amount we charge you to borrow money. • Interest rates are based on current market conditions, your credit score, down payment, and the type of loan you choose. Check today's rates.
Discount points	• One point equals 1% of your loan amount. • If you qualify, you may be able to pay one or more points to lower your interest rate. A lower interest rate means lower monthly loan payments. • You may be able to finance points as part of your loan amount. • Points are usually tax deductible. (Consult a tax advisor on the deductibility of interest.)
Origination charge	• The amount that includes all charges (other than discount points) that all loan originators (lenders and brokers) involved will receive for originating the loan. • This charge covers items including fees, document preparation, and underwriting costs, and other expenses. • If you qualify, you may be able to finance the origination charge as part of your loan amount. • Flexible fee payment. Select the home equity closing cost option that meets your needs.[1]
Loan term	• Your loan term is the amount of time you have to pay off your loan balance. • Shorter loan terms typically mean higher monthly loan payments, but often have lower interest rates. And if you pay off

	Shorter loan terms typically mean higher monthly loan payments, but often have lower interest rates. And if you pay off your loan balance within a shorter term, you may pay less in total interest than with a longer-term loan.

Remember that interest rates only tell part of the story. The total cost of a loan is reflected by the interest rate, discount points, and origination charges. This total cost is known as the annual percentage rate (APR), which is typically higher than the interest rate. The APR enables you to compare loans of the same dollar amount by considering their total annual cost.

View loan options now.

Depending upon your loan type, property location, property type and loan amount, you may incur other monthly or annual expenses such as mortgage insurance, flood insurance, and homeowners association fees.

How do I estimate how much I might be able to borrow? Show Details

How can I get started? Show Details

Next: Loan Options >

Find a local consultant

Contact Us

For your mortgage needs:
1-877-291-4329
See Hours > Refinance Analysis

For your home equity needs:
1-888-667-1772
See Hours > Apply Online

If you are a servicemember on active duty, prior to seeking a refinance of your existing mortgage loan, please consult with your legal advisor regarding the loss of any benefits you are entitled to under the Servicemembers Civil Relief Act or applicable state law.

[1] The home equity line of credit Annual Percentage Rate (APR) is variable and is based on the highest Prime Rate published each day in *The Wall Street Journal* Money Rates Table (the "Index"), plus a margin. The index as of the last change date of December 17, 2008 is 3.25%. As of September 6, 2013, current margins for lines of credit from $10,000; (California $20,000); maximum $500,000 secured by owner-occupied properties with 70% combined loan-to-value range from 3.750% to 0.625% resulting in corresponding variable APRs ranging from 7.000% to 3.875%. **Minimum APR is 1.00%; maximum APR is 18%**. APR does not include costs. **Your APR** will be based on the specific characteristics of your credit transaction, including evaluation of credit history, CLTV, property type, amount of credit, term and geographic location. There is a $75 annual fee which is waived for the first year. If provided for in your original contract, the fee will be waived thereafter if you maintain a minimum average daily balance of $20,000 or more for twelve consecutive months previous to the annual fee assessment date. A $500 prepayment fee may apply if the account is closed within three years from account opening. There is no annual fee or prepayment fee for accounts secured by Texas homestead properties. Opening fees may be paid to Wells Fargo, its affiliates or third parties and range from $19 to $9,000 depending on the property type, the state in which the property is located and the amount of credit extended and include applicable state or local mortgage taxes. This Account has a Draw Period of 10 years plus 1 month, after which you will be required to repay any amounts within a 15- or 20-year term, depending upon your account balance. Hazard and, if applicable, flood insurance required.

Equal Housing Lender