

# State Farm Bank<sup>®</sup> Home Equity Loan Disclosure

## Home Equity Loan (HELON)

- No application fees
- A fixed rate and payment home equity loan is secured by the borrower's primary residence.
- Fixed fully amortized payments with monthly billing statements allows for effective budgeting.
- Interest rate and maximum combined loan to value (CLTV) up to 85% may vary based on customer's credit score, loan amount, and repayment term.
- Minimum loan amount is \$10,000
- Maximum loan amount is \$500,000
- Minimum monthly payment of \$100
- An "Early Closure Fee" will be assessed when a loan is paid in full and the line of credit is closed within the first three years. State Farm Bank will recapture up to \$500 of bona fide third party fees originally absorbed by the Bank at loan origination.
- Home Equity Loans in first lien position on a primary residence will be required to establish an escrow account for a minimum of 5 years to collect property taxes, property insurance and flood insurance (if required by federal regulation).
- Interest on a home equity loan may be tax deductible. Consult a tax advisor regarding the deductibility of interest in your individual situation.



State Farm Bank, F.S.B.  
NMLS Company ID 139716  
One State Farm Plaza Bloomington, IL 61710

